

ORIGINAL NEW APPLICATION



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AZ CORP COMMISSION
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Arizona Corporation Commission

DOCKETED

AUG 08 2016

By: Paul A. Loucks, #19880
Kristen L. Wendler, #28978
48075-1 / klw

DOCKETED BY

klw

Attorneys for The Highlands at Inde

BEFORE THE ARIZONA CORPORATION COMMISSION

IN THE MATTER OF THE
APPLICATION OF THE HIGHLANDS
AT INDE FOR AN ORDER
ADJUDICATING THAT IT IS NOT A
PUBLIC SERVICE CORPORATION.

Docket No. W-20980A-16-0274

**APPLICATION FOR
ADJUDICATION**

The Highlands at Inde, an Arizona non-profit corporation (the "Association"), hereby submits this application to the Commission for an order adjudicating it not a public service corporation. The Association is a non-profit corporation formed on May 19, 2016 for the purposes of operating and maintaining a homeowner's association and operating and maintaining a water supply and distribution system for the benefit of the participating lot and parcel owners of The Highlands at Inde subdivision in Cochise County, Arizona (the "Highlands").

The Highlands is a fixed territory outside of Willcox, Arizona which is not within the service area of a municipal or public water utility. The legal description of the Highlands is set forth in Exhibit A of the Report of Title, attached hereto and incorporated herein as Exhibit 5. The Highlands subdivision consists of 10 lots and cannot be subdivided further; no further lot owners or members will be admitted. Each lot owner is a member of the

1 Association and each member has an equal voting right within the Association. Each
2 member has a right to receive water from the Association. Each member of the Association
3 is entitled to one vote for each parcel owned. A Petition in support of this Application is
4 attached hereto. Cochise County has required the Association to obtain this adjudication as
5 a condition to final plat approval.

6 The Association is not currently providing service within the designated area, but has
7 completed a preliminary engineering report with specifications for the water facilities to be
8 constructed and water distribution plan. A water report application was submitted to the
9 Arizona Department of Water Resources ("ADWR") in early June 2016, however, ADWR
10 will not process the report until the Association has received its adjudication as a non-public
11 service corporation. This Application accordingly is approved by the current members of
12 the Association. Each Member will be a customer of the Association for purposes of
13 receiving potable water but will be responsible for operating and maintaining his or her own
14 septic system.

15 The Association has attached the following exhibits to this Application:

- 16 1. Approved Articles of Incorporation and Statement of Change filed August 5,
17 2016 (address)
- 18 2. Bylaws
- 19 3. Declaration of Covenants, Conditions & Restrictions (draft form) (including
20 restrictions of further division of property)
- 21 4. Petition of Property Owner in Support of Application
- 22 5. Report of Title
- 23 6. Well Registry Report and Request for Change of Ownership
- 24 7. Preliminary Engineering Report with specifications for facilities to be
25 constructed and water distribution plan
- 26 8. Final Plat Map

1 DATED this ^{5th} day of August, 2016.

2 MESCH CLARK ROTHCHILD

3
4 By 


5 Paul A. Loucks

6 Kristen L. Wendler

7 Counsel for The Highlands at Inde

8 APPROVED BY:

9
10 THE HIGHLANDS AT INDE

11
12 
13 By: Christopher J. Dorland
14 Its: Director

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EXHIBIT 1
ARTICLES OF INCORPORATION

COMMISSIONERS
DOUG LITTLE - Chairman
BOB STUMP
BOB BURNS
TOM FORESE
ANDY TOBIN



JODI JERICH
Executive Director

PATRICIA L. BARFIELD
Director
Corporations Division

ARIZONA CORPORATION COMMISSION

June 1, 2016

CHRISTOPHER J DORLAND
6325 N PINNACLE RIDGE
TUCSON, AZ 85718

RE: THE HIGHLANDS AT INDE
File Number: 20937842

We are pleased to notify you that the Articles of Incorporation for the above-referenced entity HAVE BEEN APPROVED.

You must publish the Articles of Incorporation in their entirety. The publication must be in a newspaper of general circulation in the county of the known place of business in Arizona for three consecutive publications. A list of newspapers is available on the Commission website, <http://www.azcc.gov/Divisions/Corporations/Newspaper-list-for-publishing.pdf>.

Publication must be completed WITHIN 60 DAYS after June 1, 2016, which is the date the document was approved for filing by the Commission. The corporation may be subject to administrative dissolution if it fails to publish. You will receive an Affidavit of Publication from the newspaper, and you may file it with the Commission.

Corporations are required to file an Annual Report with the Commission. Your Annual Report is due on 05/19/2017, and on the anniversary of that date each subsequent year. It is your responsibility to file the corporation's Annual Report by the deadline each year. You can file it electronically through our website at <http://ecorp.azcc.gov>, or you can complete the form online, print it, and mail it in, or you can call the Annual Reports section at 602-542-3285.

TO SUBSCRIBE TO THE ANNUAL REPORT EMAIL REMINDER SERVICE, GO ONLINE TO <http://ecorp.azcc.gov>. USE THE SERVICE FEATURE AND SELECT "SUBSCRIBE TO EMAIL REMINDER TO FILE ANNUAL REPORT." YOU CAN ALSO SUBSCRIBE USING THE SEARCH FEATURE TO FIND YOUR CORPORATION'S RECORD, THEN CLICK ON THE BUTTON FOR "ANNUAL REPORT EMAIL REMINDERS." IF YOU CHOOSE NOT TO SUBSCRIBE, YOU WILL NOT RECEIVE ANY REMINDER AT ALL FROM THE COMMISSION.

Corporations must notify the Commission immediately, in writing, if they change their corporate address, statutory agent, or statutory agent address. Address change orders must be signed by a duly authorized corporate officer. A forwarding order placed with the U.S. Postal Service is not sufficient to change your address with the Commission.

We strongly recommend you periodically monitor your corporation's record with the

Commission, which can be viewed at <http://ecorp.azcc.gov>. If you have questions or need further information please contact us at (602) 542-3026 in Phoenix, or Toll Free (Arizona residents only) at 1-800-345-5819.

AZ CORPORATION COMMISSION
FILED

MAY 19 2016

AZ CORPORATION COMMISSION
FILED

MAY 26 2016



FILE NO. 2093784-2

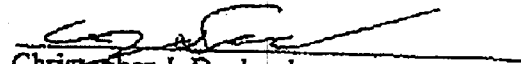
FILE NO. 2093784-2

**ARTICLES OF INCORPORATION
OF A NON-TAX-EXEMPT ORGANIZATION**
Filed Pursuant to A.R.S. § 10-3202
(Arizona Nonprofit Corporation)

1. **Name.** The name of the Corporation is: The Highlands at Inde.
2. **Character of Affairs.** The character of the Affairs of the corporation is primarily to establish a homeowners' association.
3. **Members.** The corporation WILL have members.
4. **Arizona Known Place of Business.** The Arizona known place of business address of the corporation is: 9600 Airport Road, Willcox AZ 85643
5. **Directors.** The name and address of the sole director are:
Christopher J. Dorland, 6325 N. Pinnacle Ridge, Tucson, AZ 85718
6. **Statutory Agent.** The name and address of the Statutory Agent are:
Christopher J. Dorland, 6325 N. Pinnacle Ridge, Tucson, AZ 85718
7. **Incorporator:** The name and address of the Incorporator are:
Christopher J. Dorland, 6325 N. Pinnacle Ridge, Tucson, AZ 85718

DATED this 17th day of May, 2016.

INCORPORATOR


Christopher J. Dorland

Acceptance of Appointment by Statutory Agent

The undersigned hereby acknowledges and accepts the appointment as statutory agent of the above-named corporation effective this 17th day of May, 2016.


Christopher J. Dorland

DO NOT WRITE ABOVE THIS LINE; RESERVED FOR A.C.C. USE ONLY.

CERTIFICATE OF DISCLOSURE

Read the Instructions C003i

1. ENTITY NAME - give the exact name of the corporation in Arizona:

THE HIGHLANDS AT INDE

2. A.C.C. FILE NUMBER (If already incorporated or registered in AZ):

Find the A.C.C. file number on the upper corner of filed documents OR on our website at: <http://www.azcc.gov/Divisions/Corporations>

3. Check only one of the following to indicate the type of Certificate:

- ☒ Initial (accompanies formation or registration documents)
☐ Annual (credit unions and loan companies only)
☐ Supplemental to COD filed _____ (supplements a previously-filed Certificate of Disclosure)

4. FELONY/JUDGMENT QUESTIONS :

Has any person (a) who is currently an officer, director, trustee, or incorporator, or (b) who controls or holds over ten per cent of the issued and outstanding common shares or ten per cent of any other proprietary, beneficial or membership interest in the corporation been:

4.1	Convicted of a felony involving a transaction in securities, consumer fraud or antitrust in any state or federal jurisdiction within the seven year period immediately preceding the signing of this certificate?	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No
4.2	Convicted of a felony, the essential elements of which consisted of fraud, misrepresentation, theft by false pretenses or restraint of trade or monopoly in any state or federal jurisdiction within the seven-year period immediately preceding the signing of this certificate?	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No
4.3	Subject to an injunction, judgment, decree or permanent order of any state or federal court entered within the seven-year period immediately preceding the signing of this certificate, involving any of the following: a. The violation of fraud or registration provisions of the securities laws of that jurisdiction; b. The violation of the consumer fraud laws of that jurisdiction; c. The violation of the antitrust or restraint of trade laws of that jurisdiction?	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No
4.4	If any of the answers to numbers 4.1, 4.2, or 4.3 are YES, you MUST complete and attach a Certificate of Disclosure Felony/Judgment Attachment form C004.		

5. BANKRUPTCY QUESTION:

5.1 Has any person (a) who is currently an officer, director, trustee, incorporator, or (b) who controls or holds over twenty per cent of the issued and outstanding common shares or twenty per cent of any other proprietary, beneficial or membership interest in the corporation, served in any such capacity or held a twenty per cent interest in any other corporation (not the one filing this Certificate) on the bankruptcy or receivership of the other corporation?

☐ Yes☒ No

5.2 If the answer to number 5.1 is YES, you MUST complete and attach a Certificate of Disclosure Bankruptcy Attachment form C005.

IMPORTANT! If within 60 days of the delivery of this Certificate to the A.C.C. any person not included in this Certificate becomes an officer, director, trustee or person controlling or holding over ten per cent of the issued and outstanding shares or ten per cent of any other proprietary, beneficial or membership interest in the corporation, the corporation must submit a SUPPLEMENTAL Certificate providing information about that person, signed by all incorporators or by a duly elected and authorized officer.

SIGNATURE REQUIREMENTS:

Initial Certificate of Disclosure:	This Certificate must be signed by all incorporators. If more space is needed, complete and attach an Incorporator Attachment form C004.
Foreign corporations:	This Certificate may be signed by a duly authorized officer or by the Chairman of the Board of Directors.
Credit Unions and Loan Companies:	This Certificate must be signed by any 2 officers or directors.

CHRISTOPHER J. DORLAND

Name

6325 N PINNACLE RIDGE

Address 1

Address 2

TUCSON

State

AZ 85718

City

Country

UNITED STATES**SIGNATURE - see Instructions C003:**

By typing or entering my name and checking the box marked "I accept" below, I acknowledge under penalty of perjury that this document together with any attachments is submitted in compliance with Arizona law.

☒ I ACCEPT

Signature

Christopher J. Dorland

Printed Name

REQUIRED - check only one:

- ☒ Incorporator - I am an incorporator of the corporation submitting this Certificate.
☐ Officer - I am an officer of the corporation submitting this Certificate.
☐ Chairman of the Board of Directors - I am the Chairman of the Board of Directors of the corporation submitting this Certificate.
☐ Director - I am a Director of the credit union or loan company submitting this Certificate.

Filing Fee: None**All fees are non-refundable - see Instructions.**

Must be delivered to A.C.C. for filing only the information provided for release. You should seek private legal counsel for legal matters that may pertain to the individual needs of your business.
All documents filed with the Arizona Corporation Commission are public record and are open for public inspection.
If you have questions after reading the Instructions, please call 602-542-3000 or (within Arizona only) 800-345-5819.

Page 2 of 2

Name

Address 1

Address 2

City

Country

SIGNATURE - see Instructions C003:

By typing or entering my name and checking the box marked "I accept" below, I acknowledge under penalty of perjury that this document together with any attachments is submitted in compliance with Arizona law.

☐ I ACCEPT

Signature

Printed Name

REQUIRED - check only one:

- ☐ Incorporator - I am an incorporator of the corporation submitting this Certificate.
☐ Officer - I am an officer of the corporation submitting this Certificate.
☐ Chairman of the Board of Directors - I am the Chairman of the Board of Directors of the corporation submitting this Certificate.
☐ Director - I am a Director of the credit union or loan company submitting this Certificate.

Mail: Arizona Corporation Commission - Corporate Filings Section
1300 W. Washington St., Phoenix, Arizona 85007
Fax: 602-542-6100

DO NOT WRITE ABOVE THIS LINE; RESERVED FOR ACC USE ONLY.

**CORPORATION STATEMENT OF CHANGE
OF KNOWN PLACE OF BUSINESS ADDRESS, PRINCIPAL OFFICE ADDRESS,
OR STATUTORY AGENT**

Read the Instructions C016i

NOTE - no matter what is being changed, numbers 1, 2, 3.1, 5.1, and 5.2 must be completed.
The form will be rejected if those sections are not completed.

1. **ENTITY NAME** - give the exact name of the corporation as currently shown in A.C.C. records:
THE HIGHLANDS AT INDE

2. **A.C.C. FILE NUMBER:** 20937842

Find A.C.C. file number on the upper corner of filed documents OR on our website at: <http://www.azcc.gov/Divisions/Corporations>

3. ARIZONA KNOWN PLACE OF BUSINESS ADDRESS:

3.1 REQUIRED - list the known place of business address currently shown in A.C.C. records (before any changes):

3.2 Optional - List the NEW known place of business address in Arizona (must be a street or physical address):

Attention (optional)

9600 AIRPORT ROAD

Address 1

Attention (optional)

9301 W AIRPORT ROAD

Address 1

Address 2 (optional)

AZ

85643

City WILCOX

State

Zip

Address 2 (optional)

AZ

85643

City WILLCOX

State

Zip

3.3 If you completed 3.2, is the NEW known place of business address in Arizona the same as the street address of the statutory agent? ☐ Yes ☒ No

4. PRINCIPAL OFFICE ADDRESS:

4.1 Required if changing - list the principal office address currently shown in A.C.C. records (before any changes):

4.2 Optional - List the NEW principal office address (must be a street or physical address):

Attention (optional)

Attention (optional)

Address 1

Address 1

Address 2 (optional)

Address 2 (optional)

City

State

Zip

Country

City

State

Zip

Country

5. CURRENT OR EXISTING STATUTORY AGENT – list the name and addresses of the statutory agent as shown in the records of the Arizona Corporation Commission *before any changes* (this is the existing statutory agent):

5.1 REQUIRED – list the name and physical or street address (not a P.O. Box) in Arizona of the existing statutory agent:			5.2 REQUIRED – list the mailing address (if one exists in A.C.C. records) in Arizona of the existing Statutory Agent:		
CHRISTOPHER J DORLAND					
Statutory Agent Name					
Attention (optional) 6325 N PINNACLE RIDGE			Attention (optional)		
Address 1			Address 1		
Address 2 (optional) City TUCSON		State AZ	Address 2 (optional) City		Zip 85718

5.3 ☐ **CHANGE IN EXISTING STATUTORY AGENT NAME ONLY** – if the *name only* of the existing statutory agent listed in number 5.1 above has changed, but a new agent has not been appointed, check the box and give the new name of the existing statutory agent below:

5.4 CHANGE IN EXISTING STATUTORY AGENT ADDRESS – check all that apply and follow instructions:

- ☐ **STREET ADDRESS CHANGED** – complete number 5.5.
☐ **MAILING ADDRESS CHANGED** – complete number 5.6.

5.5 NEW STREET ADDRESS – give the NEW physical or street address (not a P.O. Box) in Arizona of the existing statutory agent:			5.6 NEW MAILING ADDRESS – give the NEW mailing address in Arizona of the existing statutory agent (can be a P.O. Box):		
Attention (optional)			Attention (optional)		
Address 1			Address 1		
Address 2 (optional) City		State Zip	Address 2 (optional) City		State Zip


6. <input type="checkbox"/> NEW STATUTORY AGENT – if a new statutory agent is being appointed, check the box and complete the following for the NEW statutory agent:					
6.1 REQUIRED – give the name (can be an individual or an entity) and physical or street address (not a P.O. Box) in Arizona of the NEW statutory agent:			6.2 OPTIONAL – mailing address in Arizona of NEW Statutory Agent (can be a P.O. Box):		
Statutory Agent Name					
Attention (optional)			Attention (optional)		
Address 1			Address 1		
Address 2 (optional)			Address 2 (optional)		
City	State	Zip	City	State	Zip
6.3 REQUIRED – If you are appointing a new statutory agent, the <u>Statutory Agent Acceptance</u> form M002 must be submitted along with this Statement of Change form.					

SIGNATURE – see Instructions C016i for who is authorized to make changes:

If the person signing this form is the existing statutory agent changing its own address, then by the signature appearing below, the existing statutory agent certifies *under penalty of perjury* that he or she has given the corporation named in number 1 above written notice of the address change.

By checking the box marked "I accept" below, I acknowledge *under penalty of perjury* that this document together with any attachments is submitted in compliance with Arizona law.

☒ I ACCEPT

Signature 

CHRISTOPHER J DORLAND

Printed Name

08/06/2016
Date (mm/dd/yyyy)

REQUIRED – check only one:

<input type="checkbox"/> I am the Chairman of the Board of Directors of the corporation filing this document.	<input checked="" type="checkbox"/> I am a duly-authorized Officer of the corporation filing this document.	<input type="checkbox"/> I am a Statutory Agent changing only my own address and/or my own name.
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Filing Fee: None (regular processing) Expedited processing – add \$35.00 to filing fee. All fees are nonrefundable – see Instructions.	Mail: Arizona Corporation Commission – Corporate Filings Section 1300 W. Washington St., Phoenix, Arizona 85007 Fax: 602-542-4100
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Please be advised that A.C.C. forms reflect only the minimum provisions required by statute. You should seek private legal counsel for those matters that may pertain to the individual needs of your business.
 All documents filed with the Arizona Corporation Commission are public record and are open for public inspection.
 If you have questions after reading the Instructions, please call 602-542-3026 or (within Arizona only) 800-345-5819.

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EXHIBIT 2

BYLAWS

**THE HIGHLANDS AT INDE
BYLAWS
(Homeowners' Association)**

1. Offices. The principal office of the Corporation shall be located at 9600 Airport Road, Willcox, Arizona 85643. The Corporation may have such other offices, either within or without the State of Arizona, as the Board of Directors may determine or as the affairs of the Corporation may require from time to time. The Corporation shall have and continuously maintain in the State of Arizona a registered office and a registered agent whose office is identical with such registered office. The registered office may be, but need not be, identical with the principal office located at Tucson, Arizona. The address of the registered office may be changed from time to time by the Board of Directors.

2. Name and Purpose.

2.1 Name. This Corporation shall be known as the The Highlands at Inde (hereinafter called the Corporation).

2.2 Purpose. The Corporation is organized exclusively promoting the health, safety, and welfare of the owners ("Owners") of lots located within The Highlands at Inde, a group of parcels located in Willcox, Arizona (the "Highlands"), including maintaining the private road that serves the Owners and operating, maintaining, repairing and assessing, and managing the well, tanks, water lines, equipment and personal property for water used by the Members of the Association (the "Water System"). The Highlands is not within the boundaries of any established or operating water provider and the Corporation shall extend to all Owners the provision of potable water through the Water System. The terms and provisions of these Bylaws are expressly subject to the Articles of Incorporation and to the terms, provisions, conditions, and authorizations contained in the Covenants, Conditions, and Restrictions ("CC&Rs") for the Highlands.

3. Membership; Meetings.

3.1. Members. All property owners (each, an "Owner") who are 18 years of age or older are eligible to be members ("Member or Members") of this Corporation, which may at times be referred to herein as the Homeowners' Association ("Association"). Membership in the Corporation is required for all Owners and all Members will receive water from the Corporation in accordance with the CC&Rs. All Members of the Corporation are eligible to be directors and/or officers of the Corporation and may vote at any Annual or Regular Meeting of the Directors. Each Member shall be entitled to one vote for each parcel owned.

3.2 Membership Dues. The Board of Directors may determine from time to time the amount of Membership dues, other dues, and water assessments payable to the Association by Members. The initial annual membership dues shall be determined by the Board of Directors. There shall be no refund of dues to any Member regardless of the date upon which the Membership terminates. Quarterly dues shall be in addition to any Water System charge and/or assessment for the maintenance and operation as defined in the CC&Rs.

3.3 Meetings. The Members shall elect a board of directors ("Directors") at the annual meeting, which is to be held at the time and place designated by the President of the Corporation, unless notice is waived in writing. The Members and Directors shall be notified not less than 15 days before the date of the annual meeting. Such notice shall be in writing and addressed to each Member entitled to vote at such meeting at his or her address as it appears on the books of the Corporation (or if no such address appears, at his or her last known address), and shall be mailed not less than ten days nor more than 50 days prior to the date of the meeting. Notice of meetings may be waived before, during, or after the meeting. Special meetings of the Members may be called by or at the request of the Chair or any three Directors or by a petition of twenty-five percent of the registered Members.

3.4. Quorum. A majority of the elected Directors shall constitute a quorum for the transaction of business at any meeting of the Board of Directors; but if less than a majority of the Directors is present at said meeting, a majority of the Directors present may adjourn the meeting from time to time without further notice. If a quorum of Directors is present when the meeting is convened, the quorum shall be deemed to exist until the meeting is adjourned, notwithstanding the departure of one or more Directors.

3.5 Voting/Voting by Proxy. All Members are entitled to an equal vote and shall have the right to do so in person or by an agent authorized by a written proxy executed by the Member filed with the Secretary of the Corporation. Such proxy shall be valid only if executed in favor of another Member and no proxy shall be valid after the expiration of eleven months from the date of its execution.

3.6 Order of Business. The order of business at all meetings of the Members shall be as follows:

- (a) Roll Call
- (b) Proof of Notice of Meeting or Waiver of Notice
- (c) Reading and Approval of Minutes of Preceding Meeting
- (d) Reports of Directors
- (e) Reports of Committees
- (f) Unfinished Business
- (g) New Business

- (h) Election of Directors (if applicable)
- (i) Adjournment

4. Board of Directors

4.1 Directors. The number of Directors shall be not less than one and not more than five. Directors shall be Members of the Corporation and shall act on good faith charge of the Members of the Corporation. The number of Directors may be altered from time to time by resolution of the Board of Directors, or the Members of the Corporation at any regular or special meeting called for such purpose, but only within the limits prescribed by the Articles. In the event of any increase in the number of Directors prior to the annual meeting, each additional Director shall be elected by the then Board of Directors and hold office until his or her successor is elected and qualifies.

4.2 Initial Director. The sole initial Director shall be Christopher J. Dorland, or such other representative as determined by Inde Motorsport Ranch, LLC, the Declarant of the CC&Rs, shall designate, and shall remain the sole Director until such time as seven (7) lots within the Highlands are owned by a person or persons, including corporate persons or entities, other than the Declarant. At such time, an election shall be held to elect a new Board of Directors, and the number of Directors may be designated by the Declarant in accordance with Section 4.1 above.

4.3 Term of Office. The term of office for each Director shall be for three years. At the election of the initial Board of Directors, the terms of the Board of Directors shall be staggered such that in successive years, only one-third of the offices of director shall be eligible for election at any one time. All officers are elected by and from the Directors for one year terms.

4.4 Vacancies. Except as otherwise provided, any vacancies occurring in the Board of Directors, whether by resignation or removal, shall be filled by the majority vote of the remaining Directors. In the event of the simultaneous resignation and/or removal of three or more Directors, the Members shall hold new elections to fill those vacant positions on the Board. Those Directors so elected will serve for the remaining portion of the unexpired term.

4.5 Removal of Directors. Any Director may be removed by a majority of the Members who vote on the issue, providing that just cause has been established and whenever, in their judgment, the best interests of the Corporation would be served by doing so.

4.6 Election of Declarant to the Board of Directors. Regardless of whether the Declarant owns any Member parcels, it shall be entitled to have its representative

elected to the Board of Directors for one three year term beginning at the time a new Board of Directors is elected, as described in Section 4.2.

4.7 Compensation. No compensation shall be paid to Directors for their services as Directors. No remuneration shall be paid to a Director for services performed by him for the Corporation in any other capacity, unless a resolution authorizing such remuneration shall have been unanimously adopted by the Board of Directors before the services are undertaken. Directors and officers, however, may be reimbursed for any actual expenses incurred in connection with their duties as such officers or Directors.

5. Election Voting Rules

5.1 Association Election Notice. A notice of vacancies for expired terms of office for Board of Directors and a notice that an election shall be held shall be prepared and posted by the Secretary and shall contain the following:

- (a) Whether the election is general or special
- (b) Date of the election
- (c) Location of the meeting where the election will be held
- (d) Time of election meeting
- (e) Seats or office to be filled
- (f) A statement describing voter qualifications

5.2 Nominations. Nominations for Board of Directors shall be open nomination from the floor at the Annual Meeting.

5.3 Ballots. Ballots will be on plain white paper with a space for writing in the nominee's name and a blank square for marking a vote next to the nominee's name.

5.4 Voting Procedures. Voting procedures are as follows:

(a) The Secretary shall check for the Member's name on the Master List of Members. If the Member's name appears on the Master List, that person is deemed qualified to vote.

(b) A qualified voter shall give his/her name to the Secretary and then write it on the blank list or membership roster.

(c) Voters shall mark the ballot next to the name of the nominees they wish to vote for, as provided in Section 5.3.

(d) Voting will be by secret ballot. Ballots will be marked in pen. After the ballot is marked, the voter will fold it and deposit it in the ballot box.

5.5 Tallying Procedures. Before counting the ballots, the Secretary shall check to make sure that the number of Members' names signed on the membership roster is equal to the number of ballots in the ballot box. The ballot box shall be opened in public. The ballots shall be tallied by the Secretary or a committee of judges selected from the membership and recorded by the Treasurer.

5.6 Certifying the Election. The election shall be certified by the President of the Corporation. Nominees receiving the greatest number of the votes cast shall be considered elected Directors. For example, if two seats are to be filled, the top two vote getters are the newly elected Directors. The Secretary shall post a copy of the report of election results in three public places the day after the election results are known. The notice shall include:

- (a) that the election has been certified by the President or;
- (b) the final results of the election, and
- (c) a list of the names of the new Directors.

6. Officers.

6.1 Selection of Officers. The Board of Directors shall elect from among themselves the following officers; President, Vice-President, Secretary, and Treasurer. This shall be the first order of business of the first meeting of the Board of Directors following the elections of Directors at the Annual Meeting.

6.2 President. The President is the principal executive officer of the Corporation and shall, in general, supervise and control all of the business and affairs of the Corporation. He/She shall sign contracts or other instruments that the Board of Directors has authorized to be executed. The representative of Declarant shall serve as the initial President until another President is elected from the first meeting of the Board of Directors.

6.3 Vice-President. In the absence of the President, or in the event of his/her inability or refusal to act, the Vice-President will perform the duties of the President, and when so acting will have all the powers of and be subject to all the restrictions upon the President.

6.4 Secretary. The Secretary shall:

(a) keep a journal of proceedings of the Corporation, record all votes at meetings of the Corporation, and provide for the electronic recording of meetings of the Corporation when possible,

(b) provide for the standardization and maintenance of all forms, books, and records of the Corporation, and

(c) keep the Corporate seal and affix the seal to all contracts and instruments authorized to be executed by the Corporation.

6.5 Treasurer. The Treasurer shall:

(a) Manage, deposit, and invest all funds of the Corporation as directed by the Board of Directors,

(b) Disburse money for all corporate obligations, and

(c) keep regular books or accounts of all corporate financial transactions, and provide for financial reports or audits as directed by the Board of Directors.

7. Contracts, Checks, Deposits, and Funds Finances.

7.1 Contracts. The Board of Directors, at the direction of the Members, may authorize any officer or officers, agent or agents of the Corporation, in addition to the officers so authorized by these Bylaws, to enter into any contract or execute and deliver any instrument in the name of and on behalf of the Corporation, and such authority may be general or confined to specific instances as authorized by the Board of Directors.

7.2 Checks, Draft Signing Authority. All checks, drafts or orders for payment of money, notes or other evidence of indebtedness issued in the name of the Corporation and in such a manner as shall be determined from time to time by the Board of Directors, shall be signed by the Treasurer and shall be countersigned by the President or Vice-President of the Corporation.

7.3 Deposits. All funds of the Corporation shall be deposited from time to time to the credit of the Corporation in such banks, trust companies or other depositories as the Board of Directors may select.

7.4 Gifts. The Board of Directors may accept on behalf of the Corporation any contribution, gift, bequest or device for any special purpose for the Corporation.

7.5 Grants. No grant monies from State, federal or other governmental entity shall be applied for without the majority vote approving such application at a meeting of the Members of the Corporation.

7.6 Liens. Pursuant to the provisions of the CC&Rs, the Association may levy an assessment on the Members in proportion to the water delivered to the Members, for paying the cost of operating the Water System and the common area and common elements. The Board of Directors is granted and has the authority to place a lien on a Member's property for failure to meet any obligations as set forth in these Bylaws and in the CC&Rs.

7.7 Service Connect and Disconnect. Any Member who is not current for any assessments or billings will be furnished either in person, or, in the United States Mail, a notice of Intention to Disconnect service to that property, which will be effective twenty (20) days after the date of said notice. Failure to pay for the outstanding balance will be cause for disconnection and suspension of service. Said action will be accomplished by the Board of Directors on the twentieth (20th) day from the date of the notice furnished to the Owner. In the event that a Member pays all assessments in cash or certified funds, water service will be reinstated within twenty-four (24) hours of said payment.

7.8 Fiscal Year. The fiscal year of the Corporation shall begin on the first day of January and end on the last day of December, or such other period as the Board of Directors may deem appropriate.

8. Books and Records. The Corporation shall keep correct and complete records of financial transactions and accounts, and shall also keep minutes of the proceedings of its Board of Directors. All books and records of the Corporation may be inspected by any Member, or his/her agent or attorney, for any purpose at any reasonable time.

9. Amendment to Bylaws. These Bylaws may be amended by an affirmative vote of two-thirds of the Members voting at an Annual Meeting. The text of the proposed amendment must be included in the public notice announcing the time, date, and place of the Annual Meeting.

Adoption of Bylaws

This is to certify that the above bylaws were adopted by the Board of Directors at a meeting on the 2nd day of August, 2016.


Christopher J. Dorland, Director

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EXHIBIT 3
COVENANTS, CONDITIONS AND RESTRICTIONS
(Draft Form)

WHEN RECORDED RETURN TO:
Kristen Wendler, Esq.
MESCH, CLARK & ROTHSCCHILD, P.C.
259 North Meyer Avenue
Tucson, Arizona 85701

**DECLARATION OF COVENANTS, CONDITIONS,
AND RESTRICTIONS
FOR
THE HIGHLANDS AT INDE**

**DECLARATION OF COVENANTS, CONDITIONS, AND RESTRICTIONS FOR
THE HIGHLANDS AT INDE**

This Declaration of Covenants, Conditions, and Restrictions for the Highlands at Inde (the "Declaration") is made effective as of this ____ day of June, 2016, by Inde Motorsport Ranch, LLC, an Arizona limited liability company ("Declarant").

RECITALS:

A. Declarant is the owner of certain real property located in the Town of Willcox, Cochise County, Arizona, more particularly described in Exhibit "A" hereto (the "Property").

B. As the owner of 100% of the Property, Declarant desires to submit and subject the Property (and any other real property annexed to it), together with all buildings, improvements and other permanent fixtures of whatever kind now or hereafter located thereon, and all easements, rights, appurtenances and privileges belonging or in any way pertaining thereto, to the covenants, conditions, restrictions, liens, assessments, easements, privileges and rights contained herein.

C. Declarant deems it desirable to establish covenants, conditions, and restrictions applicable to the Property and each and every portion thereof, and certain mutually beneficial restrictions and obligations with respect to the proper use, occupancy, and enjoyment thereof, all for the purpose of enhancing and protecting the value, desirability and attractiveness of the Property and enhancing the quality of life within the Property.

D. It is desirable for the efficient management of the Property to create an owners association and to delegate to it the powers of (i) managing, maintaining, and administering the Common Areas and any Areas of Common Responsibility within the Property; (ii) managing, maintaining, and administering the Water System; (iii) administering and enforcing these covenants, conditions and restrictions; (iv) collecting and disbursing funds pursuant to the assessments and other charges hereinafter created; and (v) performing other acts provided for in this Declaration or which generally benefit its members, the Property, and the owners of any interests therein.

E. Declarant desires and intends that the owners, mortgagees, beneficiaries, and trustees under trust deeds, occupants, and all other Persons hereafter acquiring any interest in the Property shall at all times enjoy the benefits of, and shall hold their interests subject to, the covenants, conditions, restrictions, liens, assessments, easements, privileges, and rights hereinafter set forth, all of which are declared to be in furtherance of a plan to promote and protect the Property.

F. The Property is not within the boundaries of any established or operating water provider, and Declarant wishes to extend to future residents of the Property the provision of potable water through a jointly-used well pursuant to the terms of this Declaration.

NOW, THEREFORE, the Declarant hereby declares that all of the above-described Property be held, sold and conveyed subject to the covenants, conditions, and restrictions contained in this Declaration which are for the purpose of protecting the value and desirability of, and which shall run with, said real property, touch and concern the real property and be

binding on all parties having any right, title or interest in said real property or any part thereof, their heirs, successors and assigns, and shall inure to the benefit of each owner thereof, the Association, and each member of the Association.

1. DEFINITIONS.

Terms defined below shall be deemed to have the meanings specified whenever they appear in the Project Documents unless the context otherwise requires. These definitions shall apply whether or not the defined terms are capitalized.

1.1 "Articles" means the Articles of Incorporation of the Association, as amended from time to time.

1.2 "Association" means the Highlands at Inde, an Arizona non-profit corporation, its successor and assigns.

1.3 "Board of Directors" or "Board" means the Board of Directors of the Association, which is the governing body of the Association.

1.4 "Building" means any enclosed structure located on the Property and intended for human occupancy.

1.5 "Business Days" means days other than Saturday, Sunday, or legal holidays in the State of Arizona.

1.6 "Bylaws" means the bylaws of the Association, as amended from time to time.

1.7 "Club Membership" means membership, either as a founding or executive member, in the Inde Motorsports Ranch, LLC private motorsports club.

1.8 "Common Area" means all real property and the improvements or amenities thereon which may from time to time be owned or leased by the Association, easements or other use rights running to the benefit of the Association intended for the use and enjoyment of the Members, Owners, or Occupants, or property over which the Association has administrative, maintenance, or other similar responsibilities. The Common Areas include, but are not limited to, areas designated as private roads or open space on the Plat.

1.9 "Common Expenses" means the actual and estimated costs paid, incurred or reasonably anticipated by the Association in administering, maintaining and operating the Property, in the performance of the duties of the Association pursuant to this Declaration, the Association's Governing Documents, or in furtherance of the purposes of the Association.

1.10 "Declarant" means Inde Motorsport Ranch, LLC, an Arizona limited liability company, its successors and any Person to whom it may expressly assign any or all of its rights under this Declaration.

1.11 "Declaration" means this Declaration, as amended from time to time.

1.12 "Default Rate of Interest" means an annual rate of interest equal to 18%, or any other rate of interest agreed upon by the Board of the Association. The Default Rate of Interest shall not exceed the maximum rate of interest permitted by law.

1.13 "Design Review Committee" means the committee described in Section 8 of this Declaration.

1.14 "Director" means a member of the Board of Directors.

1.15 "First Mortgage" means a Mortgage which is the first and most senior of all Mortgages under the same property.

1.16 "First Mortgagee" means the holder of a First Mortgage.

1.17 "Fiscal Year" means the one year period set forth from time to time in the Bylaws as the fiscal year for the Association.

1.18 "Governing Documents" refers to the Declaration, the Articles, Bylaws, Association Rules and/or Design Guidelines, as amended from time to time.

1.19 "Improvements" means the Buildings, Common Area improvements or facilities, roads, driveways, parking spaces, storage areas, fences, walls, and all other structures or landscaping improvements of every type and kind.

1.20 "Lease" means any lease, tenancy, sublease, rental contract, or other occupancy agreement whether oral or written.

1.21 "Lot" means a subdivided portion of the Property. A "lot" does not include any common areas platted within the Property. A "lot" includes the residential dwelling unit, garages, structures and other improvements constructed thereon.

1.22 "Manager" means the agent engaged by the Board pursuant to this Declaration or the Bylaws to manage the Association and the Project, which Manager may be an affiliate of Declarant.

1.23 "Member" means any Person, including Declarant, who is a Member of the Association.

1.24 "Member Parcels" are those parcels subject to assessment for expenses incurred by the Association as provided herein and as further described in Exhibit "A".

1.25 "Mortgage" means any recorded, filed or otherwise perfected instrument given as security for the performance of an obligation, including without limitation a deed of trust and a recorded agreement of sale or contract for the sale of real property under the terms of which the purchaser is entitled to the possession of a Parcel or a Lot. A Mortgage does not include any instrument creating or evidencing solely a security interest arising under the Uniform Commercial Code.

1.26 "Mortgagee" means the holder of a note secured by a Mortgage, including the trustee and beneficiary under any deed of trust, or the vendor under a recorded contract for the sale of real property.

1.27 "Mortgagor" means the mortgagor executing a mortgage, the trustor under a deed of trust, the maker of any other similar instrument constituting a Mortgage, or the purchaser entitled to possession under a recorded contract for the sale of real property.

1.28 "Occupant Day" means use of a Lot by one natural person for any portion of a day, regardless of the length of time.

1.29 "Officer" means an officer of the Association.

1.30 "Owner" means the holder, whether one or more persons of record title to any Parcel, whether or not subject to any Mortgage but excluding those having such interest merely as security for the performance of an obligation. A contract purchaser under recorded agreement of sale or contract for the sale of real property wherein legal title to the property remains in the vendor shall be deemed to be an Owner and the vendor thereunder shall be deemed to be a Mortgagee. If title is vested of record in a trustee pursuant to A.R.S. § 33-801 et seq., then, for the purpose of this Section, the trustor shall be deemed to be an Owner.

1.31 "Parcel" means any parcel or tract of real property, which constitutes a part of the Property, including individual Lots, but excluding any part of the Common Areas.

1.32 "Person" means a natural person, corporation, partnership, association, joint venture, limited liability company, trust, or other legal entity, or any combination thereof.

1.33 "Plat" means the plat or plats of subdivision of the Property, or of easements and dedications, as recorded in the official records of Cochise County, Arizona, and was amended or supplemented from time to time.

1.34 "Private Roads" means any street, roadway or drive shown as being part of the Common Area in the Plat or designated as such in any instrument separately recorded by the Declarant for such purpose.

1.35 "Property" means the real property described on Exhibit "A" to this Declaration, together with the Buildings and other Improvements located thereon, and all easements, rights, and appurtenances belonging thereto.

1.36 "Race Facilities" means the race track facilities known as Inde Motorsports Ranch, including an approximately 2.75 mile performance road course with various driving configurations, a quarter mile drag strip, paddock areas, administration buildings, rentable garages, and other current and future structures and amenities.

1.37 "Rules" means the rules and regulations adopted by the Association, as the same may be amended from time to time.

1.38 "Water System" means a well on the Property, and improvements capable of distributing water to the property line of each Lot, including all water meters (once installed on each Lot), and all facilities necessary for the operation thereof, all of which are wholly owned by

the Association.

2. RIGHTS OF ENJOYMENT.

2.1 Right of Enjoyment. Every Member, Owner, and Occupant has a non-exclusive easement to use and enjoy the Common Areas. This right is subject to all of the easements, covenants, conditions, restrictions, and other provisions contained in this Declaration, including, without limitation, the following provisions:

2.1.1 The right of the Association to limit the use of the Common Areas by persons who are not Members, Owners, or Occupants.

2.1.2 The right of the Association to establish reasonable rules and regulations pertaining to or restricting the use of the Common Areas.

2.1.3 The right of the Association to borrow money for the purpose of improving, replacing, restoring, or expanding the Common Areas or adding new Common Areas and to mortgage such property.

2.1.4 The right of the Association to suspend the right of any Person (including without limitation a member of the family of an Owner or Occupant) to use the Common Areas or any designated portion thereof for a period determined by the Board, if such Person is in violation of the Association Rules or in breach of this Declaration, and up to six months for any subsequent violation of the same or similar provision of the Association Rules or this Declaration. Any suspension of an Owner's right to use the Common Areas shall not be effective until after notice and an opportunity for a hearing has been given and held in accordance with the Bylaws or any Rule or Resolution of the Association. Notwithstanding this Section, the Association cannot suspend the right of any Owner or Occupant to use any portion of the Private Road which is necessary for such Person's access to his/her property.

2.2 Delegation of Use. No Person may delegate or transfer his right to use and enjoy the Common Areas to any other Person, except an Owner or Occupant or to the members of his immediate family, or his guests, as permitted by the Association Rules.

2.3 Waiver of Use. No Person who is obligated to pay Assessments is exempt from liability for the payment of assessments and no Lot or Parcel is exempt from the attachment of any lien arising as a result of the nonpayment of assessments because he/she does not use or enjoy the Common Areas, has abandoned any Property owned by him/her, or for any other reason.

2.4 Use of Water System. Each Member shall receive potable water from the Association through the Water System subject to the terms and conditions set forth in this Declaration and to any reasonable terms of use hereinafter developed by the Association.

3. MEMBERSHIP.

3.1 Members. The following Persons are Members of the Association: Each Owner of a Member Parcel is a Member of the Association. Each such Person shall be a Member of the Association so long as he/she maintains such status as an Owner of a Member Parcel.

3.2 Voting Rights of Members. Subject to Section 4.11, each Member Parcel is entitled to one vote for each Lot platted within that Parcel.

3.2.1 Unless otherwise specified, if any action hereunder requires the approval of the Members, the approval of a Majority of Members is required. The term "Majority of Members" means the Members holding more than 50% of the total votes entitled to be cast with respect to any given matter by Members present, in person or by proxy, at a meeting of the Association at which a quorum is established. Any specified fraction or percentage of the Members means the Members holding that fraction or percentage of the total votes entitled to be cast with respect to a given matter at such meeting. In each case, the requisite number of votes shall be determined without regard to the number of Members actually casting votes. A specified fraction or percentage "of all of the Members" means that fraction or percentage of the total number of Parcels, not merely that percentage of the Members present at any meeting of the Association for which a quorum may be established.

3.3 Authorized Representative of Member. Each Member shall specify in writing to the Association an authorized representative (and alternate representative) to represent, and vote on behalf of, such Member in all matters pertaining to the Association. In the absence of a written notification by a Member, such Member is not entitled to cast any votes until such written notification has been received by the Association. The authorized representative of a Member (or, in the absence thereof, the designated alternate) shall be the only Person entitled to vote for the Member at Association meetings and elections at which the Members are required to vote.

3.4 Transfer of Membership. Membership in the Association is appurtenant to, and may not be separated from, the ownership of a Member Parcel. Membership in the Association shall not be transferred, pledged or alienated in any way, except upon the sale of the Parcel and then only to the purchaser, or by intestate succession, testamentary disposition, foreclosure of a Mortgage or other legal process transferring title to such Parcel and then only to the Person to whom such title is transferred. Any attempt to make a prohibited transfer of a membership is void and will not be recognized by or reflected upon the books and records of the Association. In the event a Member fails or refuses to transfer the membership registered in his/her name to a Person entitled thereto, the Association has the right to record a transfer upon the books of the Association and issue a new membership to such Person, and thereupon the old membership shall be null and void as though it had been surrendered.

3.5 Pledge of Voting Rights. If a Member grants an irrevocable proxy or otherwise pledges his or her voting right as a Member to a Mortgagee as additional security, only the vote of the Mortgagee will be recognized provided that a copy of the proxy or other instrument pledging such vote has been filed with the Association. In the event that more than one such instrument is filed with the Association, the Association shall recognize the rights of the

Mortgagee which first files the proxy with the Association, regardless of the priority of the Mortgages.

4. ASSOCIATION.

4.1 Purpose of the Association. The Association serves as the governing body for all Members for the proper and efficient management, administration, and operation of the Property. The duties and responsibilities of the Association include, but are not limited to, the following:

4.1.1 Landscaping of the Common Areas and maintaining, repairing, and replacing all improvements constructed on the Common Areas in good condition so as to preserve the Property;

4.1.2 Operating, maintaining, and rebuilding, if necessary, street signs, Private Roads, walls and fences, and other improvements originally constructed by Declarant or later constructed by the Association in the Common Areas in good condition;

4.1.3 Owning, operating, and maintaining the Water System;

4.1.4 Paying real estate taxes and other charges attributable to the Common Areas, including but not limited to, any improvements thereon;

4.1.5 Insuring all improvements which the Association is obligated to maintain against damage by casualty with such companies and such limits as the Board deems appropriate;

4.1.6 Hiring, firing, supervising, and paying employees and independent contractors, including, but not limited to, workers, landscapers, attorneys, accountants, architects, and contractors to carry out the obligations of the Association;

4.1.7 Maintaining such policies of insurance as the Board deems necessary to protect the Members, the Board and the Association from any liability from occurrences or happenings on or about those portions of the Property maintained by the Association;

4.1.8 Maintaining such policies of insurance as the Board deems necessary to protect the Members, the Board and the Association from errors or omissions of the Board or any Member thereof;

4.1.9 Purchasing all goods, supplies, labor, and services reasonably necessary to perform the obligations set forth herein;

4.1.10 Enforcing (as determined necessary in the discretion of the Board) the provisions of this Declaration including, but not limited to, the use restrictions set forth in Section 9 and the architectural control provisions set forth in Section 8;

4.1.11 Establishing and maintaining such cash reserves as the Board deems reasonably necessary for the maintenance, repair and replacement of the improvements for which it is responsible and for unforeseen contingencies;

4.1.12 Providing and paying for all utility services for the Common Areas;

4.1.13 Entering into such agreements and taking such actions as are reasonably necessary and convenient for the accomplishment of the obligations set forth above and the operation, administration and maintenance of the Property;

4.1.14 Administering, maintaining, and operating the Water System;

4.1.15 Paying to the Race Facilities' operator any Club Membership Assessments, if collected from a Member; and

4.1.16 Such other matters as are provided in the Governing Documents.

In furtherance of the Association's duties and responsibilities; the Association has the right to collect Assessments from each Member as provided for in this Declaration, including, but not limited to, such Member's Proportionate Share of the Common Expenses (in accordance with the provisions of Section 5.3.3).

4.2 Board of Directors. The affairs of the Association shall be conducted by the Board of Directors in accordance with the Governing Documents.

4.3 Board Determination Binding. The Board is responsible for deciding any controversy or resolving any dispute or disagreement between any Member, Owner, Occupant or any other Person subject to this Declaration relating to the Property, or any question of interpretation or application of the provisions of the Governing Documents. The determination by the Board is final and binding on all such Persons. The Board may, at its election, delegate the resolution of such dispute or disagreement to a committee appointed by the Board.

4.4 Additional Provisions in Articles and Bylaws. The Articles and Bylaws may contain provisions relating to the conduct of the affairs of the Association and the rights and powers of its directors, officers, employees, agents and Members so long as such provisions are not inconsistent with law or this Declaration. Such provisions shall be enforced in the same manner as the provisions of this Declaration.

4.5 Association Rules. The Board has the power to adopt, amend, or repeal rules and regulations which it deems reasonable and appropriate (the "Association Rules"). Such Rules shall be binding on all Persons subject to this Declaration and shall govern the use and/or occupancy of the Common Areas or any other part of the Property. The Association Rules may establish a system of fees, fines, and penalties enforceable as Reimbursement Assessments. The Association Rules shall govern those matters which the Board deems to be in furtherance of the purposes of the Association, including without limitation, the use of the Common Areas. The Association Rules have the same force and effect as if they were set forth in this Declaration and are binding on all Persons having any interest in, or making any use of, any part of the Property, whether or not copies of the Association Rules are actually received by such Persons. The Association Rules, as adopted, amended or repealed, shall be available for review at the principal office of the Association to each Person reasonably entitled thereto. It is

the responsibility of each Person subject to the Association Rules to review and keep abreast of any changes in such Rules. In the event of any conflict between any provision of the Association Rules and any provisions of this Declaration, or any other Governing Documents, the provisions of the Association Rules are superseded by the provisions of the other Governing Documents to the extent of any such conflict.

4.6 Indemnification. To the fullest extent permitted by law, every director, officer, or committee member of the Association, including, without limitation, the Design Review Committee and the Declarant (to the extent of any claim which is brought against Declarant because of its appointment, removal, or control over members of the Board or the Design Review Committee or its control over the Association) shall be indemnified by the Association, and every other person serving as an employee or direct agent of the Association, or otherwise acting on behalf of and at the request of the Association may, in the discretion of the Board, be indemnified by the Association. Such indemnification shall include all expenses and liabilities, including attorney fees, reasonably incurred by or imposed upon such person in connection with any proceeding to which he may be a party, or in which he may become involved, by reason of his having served in such capacity on behalf of the Association (or in the case of Declarant by reason of having appointed, removed or controlled or failed to control members of the Board or the Design Review Committee, or controlled or failed to control the Association), or any settlement thereof, whether or not he is a director, officer or member of the Design Review Committee or serving in such other specified capacity at the time such expenses are incurred. Such indemnification shall be available only if the Board determines, in good faith, that such officer, director, member of the Design Review Committee or other person, or Declarant, did not act, fail to act, or refuse to act willfully or with gross negligence or fraudulent or criminal intent in the performance of his duties. The foregoing rights of indemnification shall be in addition to and not exclusive of all other rights to which such persons may be entitled at law or otherwise.

4.7 Non-Liability of Officials. To the fullest extent permitted by law, neither Declarant, the Board, the Design Review Committee or any other committees of the Association nor any member thereof, nor any directors or officers of the Association, shall be liable to any Member, Owner, Occupant, the Association or any other Person for any damage, loss or prejudice suffered or claimed arising out of any decision, approval or disapproval of plans or specifications (whether or not defective), course of action, act, inaction, omission, error, negligence or the like made in good faith and which Declarant, the Board, or such committees or Persons reasonably believed to be within the scope of their respective duties.

4.8 Easements. In addition to the easements granted in the Plat, the Board is authorized and empowered to grant upon, across, or under real property owned or controlled by the Association such permits, licenses, easements and rights-of-way for sewer lines, water lines, under-ground conduits, storm drains, television cable and other similar public or private utility purposes, roadways or other purposes as may be reasonably necessary and appropriate for the orderly maintenance, preservation and enjoyment of the Common Areas, the preservation of the health, convenience and welfare of the Members, Owners and Occupants.

4.9 Records. The Board shall, upon reasonable written request and during reasonable business hours, make available for inspection by each Member current copies, as amended from time to time, of the Governing Documents, and the books and records of the Association, in accordance with the provisions of the Arizona Non-Profit Corporation Act, as amended from time to time. Declarant is not under any obligation to make its own books and records available for inspection by any Member or other Person.

4.10 Managing Agent. All powers, duties, and rights of the Association or the Board may be delegated to a managing agent under a management agreement; provided, however, that no such delegation shall relieve the Association of its obligation to perform any delegated duty. Any agreement for professional management, or any other contract providing for the services of any other party, shall not exceed a term of one year. The term of any contract may be renewed by agreement of the parties for successive one year periods. Any such agreement shall provide for termination by either party with or without cause and without payment of a termination fee upon 90 days' written notice; provided, however, that the Association may terminate the agreement for cause upon 30 days' written notice.

4.11 Declarant's Control of Association. Notwithstanding anything in this Declaration to the contrary, Declarant shall maintain absolute control over the Association, including but not limited to appointment and removal of the members of the Board and the members of the Design Review Committee, and the sole right to vote on matters requiring the approval of the Members until seven (7) of the Lots are owned by a Person or Persons other than the Declarant.

5. ASSESSMENTS.

5.1 Payment of Assessment. Each Member, and every other Person who is required to pay any Assessment, covenants and agrees to pay to the Association: "Regular Assessments" (as defined in Section 5.3), "Reimbursement Assessments" (as defined in Section 5.4), "Capital Improvement and Special Assessments" (as defined in Section 5.5), "Water System Assessment" (as defined in Section 5.6), "Reconstruction Assessments" (as defined in Section 10.5), and "Club Membership Assessments" (as defined in Section 12.2). Such assessments are collectively called the "Assessments" and shall be established and collected from time to time as provided in this Declaration. The Assessments, together with interest thereon, late charges, attorney fees, court costs and litigation expenses, and any other collection costs incurred by the Association, are a continuing lien upon any property interest which such Person has in the Property, including, as an example and not a limitation, a Lot or a Parcel. Each Assessment, together with such interest and other costs and fees, is also the personal obligation of the Person responsible for the payment of such Assessment. The personal obligation for delinquent payments is binding on the heirs, devisees and successors of such Person.

5.2 Purpose of Assessments. The Assessments levied by the Association shall be used to promote the recreation, health, and welfare of the Members, Owners, and Occupants, to enhance the quality of life within the Property, to preserve the values of the Property, to pay the costs of administration of the Association and all other Common Expenses, and to otherwise further the interests of the Association as the Board, in its sole discretion, deems appropriate.

5.3 Regular Assessments.

5.3.1 The term "Regular Assessments" is defined as the amount to be paid by each Member as that Member's Proportionate Share of the Estimated Annual Assessments. Regular Assessments are payable to the Association at least quarterly, unless a different payment schedule is established by the Board of Directors.

5.3.2 The Association shall, on an annual basis, determine the estimated total annual operating expenses of the Association, including but not limited to, appropriate reserves and the cost of administering, maintaining, and operating the Association (the "Estimated Annual Assessments").

5.3.3 Each Member shall pay assessments based on the number of Lots which have been platted on the Property. Each Member's proportionate share of the Regular Assessments shall be determined by taking the Annual Operating Budget and dividing that number by the total number of Lots platted on the Property. This amount shall then be multiplied by the number of platted Lots owned by that Member to equal that Member's proportionate share of the Regular Assessment (the "Proportionate Share").

5.3.4 The Association may, on a quarterly basis, adjust each Member's Proportionate Share of the Estimated Annual Assessment to reflect changes in the total amount of the Estimated Annual Assessments (in accordance with Section 5.3.2). Any such adjustments shall be accomplished by the recalculation of each Member's Proportionate Share. The adjustment of each Member's Proportionate Share shall be applied prospectively and no Member shall be entitled to a refund of any of the Regular Assessments which have accrued, even if the Member's Proportionate Share is reduced.

5.3.5 If the Board determines that the total Estimated Annual Assessment for the current year is, or will become, inadequate to meet all the Common Expenses for whatever reason, then the Board shall determine the approximate amount of such inadequacy and issue a supplemental estimate of the Estimated Annual Assessment, and, on a quarterly basis, determine the revised amount of each Member's Proportionate Share of the Estimated Annual Assessment and the date when payment is due. If the Estimated Annual Assessment for the current year proves to be excessive in light of the actual Common Expenses, the Board may, in its sole discretion, retain such excess as additional working capital or reserves, reduce the amount of the Regular Assessment for the next year, or abate collection of the regular Assessments for such period as it deems appropriate.

5.3.6 Each Member becomes liable for the payment of the Regular Assessments on the date the certificate of occupancy is issued for the improvements constructed on that Member's Lot.

5.4 Reimbursement Assessments. The Association may levy a Reimbursement Assessment against a Member, Owner, Occupant, or other Person and any property interest in the Property owned by such Person, to reimburse the Association for:

5.4.1 Costs incurred in bringing a Member, Owner, Occupant, or other Person into compliance with the provisions of the Governing Documents.

5.4.2 Any other charge designated as a Reimbursement Assessment in the Governing Documents.

5.4.3 Fines levied by the Board pursuant to the procedures adopted by the Board.

5.4.4 Attorneys' fees, interest, and other costs or charges assessed against any Member, Owner, Occupant, or other Person which are incurred in connection with the enforcement of any provision of the Governing Documents.

5.4.5 Any damage to the Common Areas caused by such Member, Owner, Occupant, or other Person;

5.4.6 Any costs or expenses incurred by the Association in correcting any condition caused by the actions or inactions of any Member, Owner, Occupant, or other Person in violation of the terms of the Governing Documents.

5.5 Capital Improvements and Special Assessments.

5.5.1 In addition to the Regular Assessments, the Board may levy a Capital Improvement Assessment for the purpose of defraying, in whole or in part, any action or undertaking on behalf of the Association in connection with, or the cost of, any construction or replacement of any capital improvement in the Common Areas, including any necessary fixtures and personal property related thereto, to the extent such Assessment is not covered by the provisions affecting Reconstruction Assessments in Section 7. Such Capital Improvement Assessment shall be levied only against those Members which the Board, in its sole and absolute discretion, determines to be benefitted by such capital improvement.

5.5.2 In addition to the Regular Assessments, the Board of Directors may levy a Special Assessment for (1) correcting an inadequacy in the current operating account; (2) unanticipated contingencies; (3) other matters authorized by these Covenants; or (4) paying for such other matters as the Board may deem appropriate.

5.5.3 Each Member's share of the Capital Improvement Assessments or Special Assessments is calculated by multiplying the total amount of the Assessment times a fraction, the numerator of which is the amount of Regular Assessments for which that Member is responsible and the denominator of which is the total amount of Regular Assessments paid by all Members against whom such Assessment is levied. The Board shall specify the effective date of any such Assessment and may provide that such Assessment is payable in installments.

5.6 Water System Assessments. The Association shall own, maintain, and operate the Water System. Each Owner shall bear all costs incurred by that Owner in connecting to the Water System, including but not limited to, the costs to install a water meter and a lockable shut-off valve of the kind designated by the Association between such meter and the distribution line, and the costs to maintain any water pipes and lines installed by that Owner for use on his or her own Lot or for any water pipes and lines beyond the water meter for the Owner's Lot. Each Owner shall be responsible for maintain all improvements necessary to receive water from the water to their individual fixtures. The water rates shall be determined by the Board of Directors from time to time and billed at regular intervals to each Member based on each Member's water use (the "Water Assessment"). Water service may be discontinued at the direction of the Board of Directors of the Association if charges therefore are not paid within thirty (30) days after a billing has been rendered, upon the giving of twenty (20) days notice of intent to disconnect and discontinue such service. Each Owner of any portion of the Property,

by acceptance of a deed or other conveyance therefor, whether or not it shall be so expressed in any such deed or other conveyance, is conclusively deemed to covenant and agree to pay to the Association such water rates and Water System Assessments as are herein provided.

5.7 Time and Manner of Payment; Late Charges and Interest. Assessments are due and payable in such manner and at such times as the Board designates. If any Assessment is not paid within ten days of its due date, a late charge equal to 10% of the amount of the Assessment shall be added to the amount due, the total of which shall bear interest at the Default Rate of Interest until paid in full. The Board has the discretion, without waiving its right to impose a late charge or interest in any subsequent instance, to waive the late charge and/or interest in any particular instance. A Member or other Person who is delinquent in the payment of any Assessment is also liable for attorneys' fees, litigation expenses, collection costs, and any other costs incurred by the Association in collecting such delinquency, and if any suit is filed to collect any delinquent Assessment, such costs of collection and attorney fees shall be added to the delinquent amount and included in any judgment rendered by the court.

5.8 Assessment Lien on Individual Lots. Any Assessments (together with interest, late charges, collection costs, attorneys' fees, litigation expenses, and court costs) shall be a charge on the land and shall be a continuing lien upon the property against which each Assessment is made. The lien for Assessments applies with equal force to all Regular Assessments, Reimbursement Assessments, Special Assessments, Capital Improvement Assessments, Water System Assessments, Reconstruction Assessments, and Club Membership Assessments payable by a Member.

5.9 Application of Payments. All payments received by the Association shall first be applied to collection costs and attorneys' fees, then to late charges, then to delinquent Assessments or other sums due to the Association and then to accrued interest.

5.10 No Offsets. All Assessments are payable in the amount specified in the notice of Assessment and there shall not be any offsets against such amount for any reason; including, without limitation, a claim that (a) the Association, the Board, or Declarant is not properly exercising its duties and powers as provided in this Declaration; (b) Assessments for any period exceed the amount of the Common Expenses; or (c) a Member or any other Person does not use the Common Areas.

5.11 Waiver of Homestead. The Association's lien is not affected by the homestead laws of the State of Arizona. By taking title to any Lot or Parcel within the Property, each Owner consents to the lien for Assessments arising out of the recordation of this Declaration.

5.12 Reserves. The reserves included in the Common Expenses which are collected as part of the Regular Assessments are a contribution to the capital account of the Association by the Members. The Board is only required to provide for such reserves as the Board in good faith determines as reasonable, and neither Declarant, the Board or any member thereof has any liability to any Member, Owner, Occupant or other Person, or to the Association, if such reserves are inadequate.

5.13 Subordination of Lien.

5.13.1 The lien for Assessments constitutes a lien on any Lot or Parcel which is prior and superior to all other liens, except (1) the First Mortgage on the Lot or

Parcel, and (2) liens for real estate taxes and other governmental assessments against the Lot or Parcel.

5.13.2 In the event of a foreclosure of any First Mortgage, the First Mortgagee becomes subject to all of the terms and conditions set forth in the Governing Documents, including, but not limited to, the obligation to pay all assessments and charges accruing after recordation of the sheriff's or trustee's deed to the property, in the same manner as any Member and/or Owner, including the right of the Association to assert a lien on the property if the assessment thereafter becomes delinquent. Any unpaid assessment will continue to be the personal obligation of the person who was the record title of the property during the time the assessment become due. The Board has the right, but not the obligation, to collect such delinquent assessments, even though that Person is no longer a member of the Association and, at the discretion of the Board, may also reallocate the Assessments among all Members as part of the Common Expenses.

5.14 Certificate of Payment. Any Person acquiring any property interest in the Property shall be entitled to a certificate from the Association setting forth the amount of due but unpaid Assessments relating to such property, if any. Such Person is not liable for, and no lien shall attach to such property in excess of the amount set forth in the certificate, except for Assessments which accrue or become due thereafter together with any interest, late charges, costs, attorney fees and collection costs relating to such Assessments.

5.15 Enforcement of a Lien. The lien provided for in this Section 5 applies with equal force in each other instance provided for the Governing Documents where it states that a lien may be imposed and enforced. The lien may be foreclosed by the Association in the same manner as the judicial foreclosure of mortgages or deeds of trust in the State of Arizona. The Board has the sole discretion to determine whether it will take any action hereunder in any particular instance, and the failure of the Association to take such action at any time does not constitute a waiver of its right to take such action at a later time or in a different instance.

5.16 Pledge of Assessment Rights as Security. The Association has the power to pledge the right to impose and collect Assessments as security for any obligation of the Association. Such action requires the approval of a Majority of Members entitled to vote. The Association's power to pledge its assessment powers includes, but is not limited to, the ability to assign Assessments which are payable to the Association as collateral for any loan or debt while maintaining the Association's right to continue to collect the Assessments and to apply the Assessments to satisfy the Common Expenses of the Association, unless the Association defaults in its obligations secured by the assignment.

6. INSURANCE.

6.1 Membership. The Association shall purchase and maintain such insurance upon the Common Areas as the Board, in its absolute discretion, deems necessary.

6.2 Individual Responsibility. It is the responsibility of each Member, Owner, Occupant, or other Person, at his/her own expense, to provide insurance on his/her property interests within the Property, if any, all additions and improvements thereto, furnishings and personal property therein, his/her personal liability to the extent not covered by the public liability insurance obtained by the Association and such other insurance which is not carried by

the Association as such Person desires. No Person shall maintain any insurance which would limit or reduce in any manner the insurance proceeds payable under the casualty insurance maintained by the Association in the event of damage to the improvements or fixtures on the Common Areas. Neither the Association nor any Board member nor Declarant is liable to any Person or Mortgagee if any risks or hazards are not covered by the insurance obtained by the Association or if the amount of insurance is not adequate.

6.3 Insurance Claims. The Association is irrevocably appointed and authorized to adjust all claims arising under insurance policies purchased by the Association and to execute and deliver releases upon the payment of claims, and to do all other acts reasonably necessary to accomplish any of the foregoing. The Board has full and complete power to act for the Association in this regard and may, at its discretion, appoint an authorized representative or committee or enter into an insurance trust agreement which gives a trustee the authority to negotiate losses under any policy purchased by the Association.

7. ARCHITECTURAL AND LANDSCAPE CONTROL.

7.1 Appointment of Design Review Committee. During the Period of Declarant Control, the Declarant shall serve as the Design Review Committee. After the Period of Declarant Control, the Board may serve as the Design Review Committee or the Board may appoint an odd number of no less than three (3) Persons, all of whom shall either be (i) Owners, (ii) employees, representatives or agents of the Manager retained by the Association, or (iii) any other Person appointed by the Board. Appointed members of the Design Review Committee shall serve at the pleasure of the Board and may be removed at any time without cause, but otherwise shall serve staggered terms of two (2) years, with such adjustment of their initial terms as necessary to prevent all members' terms from expiring concurrently.

7.2 Design Guidelines. Subject to the approval of the Board, the Design Review Committee shall establish procedural rules, regulations, restrictions, architectural standards, and design guidelines for the Lots, which the Design Review Committee may, from time to time in its sole discretion, amend, repeal, or augment. Notwithstanding anything to the contrary, the Board has the power to promulgate rules and regulations concerning the Design Review process, the scope of the Design Review Committee's authority and any other regulations which the Board determines to be reasonably necessary in the approval of plans and specifications. The Design Guidelines are incorporated as part of the Governing Documents and are binding on all Members, Owners, Occupants, or other Persons. A copy of the current Design Guidelines shall at all times be a part of the Association's records. The Design Guidelines may include, among other things, restrictions and limitations regarding:

7.2.1 Site planning and site development, including but not limited to, rules, regulations and restrictions on grading, leveling, transplanting and preserving native vegetation, construction and maintenance of drainage courses and structures and other modifications to the natural environment;

7.2.2 Landscaping, including but not limited to, rules and regulations regarding acceptable plant materials, minimum coverage requirement and maintenance requirements;

7.2.3 Architectural design and maintenance of any or all structures, including rules, regulations, and restrictions pertaining to building materials, exterior

appearances, architectural styles, exterior colors, height restrictions, set back requirements and similar restrictions;

7.2.4 Time limitations for the completion, within specified periods after approval, of the improvements for which approval is required pursuant to the Design Guidelines;

7.2.5 If not otherwise designated on the Plat, the designation of a "building envelope" within a Lot outside of which no development shall be permitted;

7.2.6 Procedural rules and regulations governing the manner in which the Design Review Committee will operate, the types of submittals to be required in connection with requests for development or architectural approvals, and the manner in which the Design Review Committee will process such submittals. The Design Review Committee shall have the right to establish and amend from time to time a schedule of fees which the Design Review Committee has the right to charge in connection with requests for development plan or architectural plan approvals;

7.2.7 Such other limitations and restrictions as the Board or Design Review Committee may adopt, in its reasonable discretion.

7.3 General Provisions.

7.3.1 The Design Review Committee may delegate its plan review responsibilities, as specified in the Design Guidelines, to one or more of its members or architectural consultants retained by the Design Review Committee. Upon such delegation, the approval or disapproval of plans and specifications by such member or consultants shall be equivalent to approval or disapproval by the entire Design Review Committee.

7.3.2 The Design Review Committee shall approve or disapprove any plans and specifications submitted to it in accordance with the Design Guidelines within such period as may be specified in the Design Guidelines.

7.3.3 Approval and Conformity of Plans. The following actions on any Lot must be in compliance with plans and specifications which have been submitted to and approved by the Design Review Committee in accordance with the Design Guidelines:

(a) Grading, clearing, paving, landscaping, and the construction of any Building, fence, wall, or other structure or improvement of whatever type;

(b) Any addition to or change to the exterior of any Building, structure, or improvement upon the Property;

(c) Landscaping, grading, or drainage on any Lot;

(d) Painting (other than painting with the same color of paint as previously existed) of the exterior walls, patio covers, and fences.

7.4 Non-Liability for Approval of Plans. Plans and specifications for buildings and other structures shall be reviewed by the Design Review Committee as to style, exterior design, appearance and location. Development Plans (including but not limited to grading, drainage and landscaping plans) shall be reviewed for appearance, location, conformance with open space and saguaro requirements and impact on other Parcels within the Highlands. Although the Design Review Committee has the right to reject plans and specifications because they do not comply with zoning or building ordinances or other governmental regulations or restrictions, or on the basis that such plans and specifications are defective or not prepared in accordance with sound engineering practices, the approval of plans and specifications shall not constitute a representation, warranty or guarantee that such plans and specifications comply with good engineering design or with zoning or building ordinances or other governmental regulations or restrictions. By approving such plans and specifications neither the Design Review Committee, the members thereof, the Association, any Member, the Board or Declarant assumes any liability or responsibility therefor, or for any defect in any structure constructed from such plans and specifications. Neither the Design Review Committee, any member thereof, the Association, the Board, or Declarant shall be liable to any Member, Owner, Occupant or other Person for any damage, loss or prejudice suffered or claimed on account of (a) the approval or disapproval of any plans, drawings and specifications, whether or not defective, (b) the construction or performance of any work, whether or not pursuant to approved plans, drawings and specifications, or (c) the development, or manner of development, of any property within the Property; provided, however, that such action, with the actual knowledge possessed by such person was taken in good faith.

7.5 Inspection and Recording of Approval. Any member or authorized consultant of the Design Review Committee, or any authorized officer, director, employee or agent of the Association, may at any reasonable time, without being deemed guilty of trespass, enter upon any Lot or Parcel after reasonable notice is provided to the Owner or Occupant for the purpose of inspecting improvements constructed or being constructed thereon to ascertain that such improvements have been or are being built in compliance with the Design Guidelines and the Governing Documents. The Design Review Committee shall conduct the inspection in accordance with the Design Guidelines.

7.6 Reconstruction of Common Areas. The reconstruction by the Association after destruction by casualty or otherwise of any Common Areas which is accomplished in substantial compliance with "as-built" plans for such Common Areas shall not require compliance with the provisions of this Section 7 or the Design Guidelines.

7.7 Additional Powers of the Board. The Board may promulgate as a part of the Design Guidelines such additional architectural and landscape standards, rules and regulations as it deems to be appropriate and as are not in conflict with this Declaration. WITHOUT LIMITING THE GENERALITY OF THE PRECEDING SENTENCE, AFTER NOTICE TO THE OWNER AND AN OPPORTUNITY FOR A HEARING, THE BOARD MAY IMPOSE A FINE OF UP TO \$10,000.00 FOR FAILURE TO OBTAIN REQUIRED APPROVAL FROM THE DESIGN REVIEW COMMITTEE OR FOR TAKING ANY ACTION WHICH IS CONTRARY TO THE APPROVED PLANS OR SPECIFICATIONS. Such fine shall be a Reimbursement Assessment and shall also be the personal obligation of the Owner of the Parcel on which the violation occurred. This Section 7.7 does not constitute a limitation on the damages any Person, including Declarant, may otherwise recover as a result of a violation of the provisions of this Section 8.

7.8 Waiver of Design Guidelines. The Design Review Committee has the right at any time and from time to time to amend any Design Guidelines and to waive or modify any rules, regulations or restrictions contained in the Design Guidelines or this Section, provided that no such amendment, waiver, or modification is effective unless in writing and signed on behalf of the Design Review Committee by a person duly and actually (as opposed to apparently) authorized to sign such amendment, modification or waiver. No such waiver or modification shall be, or be deemed to be, a waiver of the right to strictly enforce any such rule, regulation or restriction in the future as to any Person, Parcel or Lot.

7.9 Maintenance of Improvements by Owner. All approved development and construction, including without limitation, drainage ways and devices, landscaping, and structures shall be maintained at the cost and expense of the Owner of that portion of the Property on which such development or construction is situated in strict accordance with the approved plans and specifications, the Design Guidelines, and the provisions of this Declaration.

8. USE AND OCCUPANCY RESTRICTIONS.

8.1 Use of Lots. The Lots shall be used and occupied by the Owner, his/her guests, tenants, and invitees, solely as a private single family residence, and for no other purpose.

8.1.1 Each Owner has the right to lease or rent his/her dwelling unit. However, all leases must be in writing and must provide that the tenant or lessee will abide by the Governing Documents. An Owner who leases all or any portion of his Parcel or his Lot to any Person is responsible for assuring compliance by his lessee with the Governing Documents, and is jointly and severally responsible for any violations by his lessee.

8.1.2 Each Lot may be used for no more than 70 Occupation Days per month. By way of example, two natural persons who arrive at a Lot at 6pm on Sunday and stay until 8am on the following Saturday would be using the Lot for 14 Occupation Days.

8.1.3 No owner may further divide or subdivide any lot in the Property.

8.2 Violation of Law or Insurance. No Member, Owner, Occupant, or other Person shall permit anything to be done or kept in any portion of the Property, or in or upon any Common Areas, which will result in the cancellation of insurance thereon or which would be in violation of any law.

8.3 Signs. Except as hereinafter provided, no sign of any kind shall be displayed to the public view from any Lot or Parcel without the approval of the Board or Design Review Committee except such signs as may be required for traffic control and regulation of Common Areas and are installed by, or with the approval of, the Association. No "For Sale", "For Rent" or "For Lease" sign may be posted on any Lot or Parcel, except the original builder of a house on any Lot, or building on any Parcel, may, prior to the initial occupancy of that house or building place a "For Sale" sign on the Lot or Parcel. The size, color, and location of any such sign shall be approved in writing by the Design Review Committee prior to its placement on the Lot or Parcel.

8.4 Animals. No animals, including horses or other domestic farm animals, fowl or poisonous reptiles of any kind may be kept, bred or maintained on any Lot, except a reasonable number of commonly accepted household pets may be maintained in a Lot in accordance with the Association Rules. In no event shall any domestic pet be allowed to run free away from its owner's Lot without a leash or so as to create a nuisance.

8.5 Nuisance. No Member, Owner, Occupant, or other Person shall permit or suffer anything to be done or kept on, about or within a Lot or Parcel, or on or about any portion of the Property, which will obstruct or interfere with the rights of other Persons authorized to use and enjoy the Common Areas, or annoy them by unreasonable noises or otherwise, nor will such Persons commit or permit any nuisance or commit or suffer any illegal act to be committed therein. Each Member, Owner, Occupant, or other Person shall comply with the Association Rules, the requirements of all health authorities and other governmental authorities having jurisdiction over the Property.

8.6 Boats and Motor Vehicles. Except as specifically permitted by the Association Rules, (a) no boats, trailers, buses, motor homes, campers or any other vehicles shall be parked or stored in or upon the Common Areas or upon a Lot, except within an enclosed garage or as otherwise expressly permitted by the Design Guidelines; and (b) nothing shall be parked on the Private Roads except in such parking areas as may be designated by the Association. The Association may remove, or cause to be removed, any unauthorized vehicle at the expense of the owner thereof in any manner consistent with law.

8.7 Antennas. No radio, television, or other antennas of any kind or nature, or device for the reception or transmission of radio, microwave or other similar signals, including but not limited to satellite dishes greater than one meter in diameter, shall be placed or maintained upon any Lot except as may be permitted by the Association Rules or in accordance with the Design Guidelines. The installation of all satellite dishes and mast antennas must comply with the rules promulgated by the Federal Communications Commission under the Telecommunications Act of 1996, as amended from time to time.

8.8 Mining. No portion of the Property shall be used in any manner to explore or remove any water, oil, or other hydrocarbons or minerals of any kind of earth substance of any kind.

8.9 Safe Condition. Without limiting any other provision of this Section, every Person shall maintain and keep his/her property at all times in a safe, sound, and sanitary condition and repair.

8.10 Fires. Other than barbecues, in properly constructed barbecue pits or grills, and fire pits in compliance with the Design Guidelines, or as otherwise expressly permitted in the Association Rules, no open fires shall be permitted upon any portion of the Property, nor shall any other similar activity or condition be permitted which would tend to increase the insurance rates for the Common Area, or for other Members, Owners or Occupants.

8.11 Underground Utilities. All utilities installed, constructed, or located within the Property shall be underground.

8.12 Modification. The Association, by the vote of 75% of the Members, may modify or waive the foregoing restrictions or otherwise restrict and regulate the use and occupancy of

the Property by adopting reasonable rules and regulations of general application, which shall be binding upon all Members, Owners, or Occupants as though fully set forth in this Declaration.

9. EMINENT DOMAIN.

9.1 Definition of "Taking". The term "taking" as used in this Section 9 means condemnation by eminent domain or sale under threat of condemnation of all or any portion of the Common Areas.

9.2 Representation in Condemnation Proceedings. In the event of a threatened taking of all or any portion of the Common Areas, the Members appoint the Association, through such persons as the Board may delegate to represent all Members and other interested Persons. The Association shall act in its sole discretion with respect to any awards being made in connection with the taking and shall be entitled to make a voluntary sale to the condemnor in lieu of engaging in a condemnation action.

9.3 Award for Common Areas. Any awards received by the Association arising out of the taking of Common Areas shall be paid to the Association. The Association may, in its sole discretion, retain any award in the general funds of the Association or distribute all or any portion thereof to the Members as their interests may appear. The rights of a Member, a Mortgagee or any other Person as to any distribution shall be governed by the provisions of any pertinent Mortgage.

10. MAINTENANCE, REPAIRS, AND REPLACEMENTS.

10.1 Maintenance of Common Areas. Maintenance, repairs, and replacements of the Common Areas shall be furnished by the Association as part of the Common Expenses, subject to the Bylaws and Association Rules. If any Member, Owner or Occupant, or the invitee, guest, or other authorized visitor causes any damage to the Common Areas, or engages in any act which requires any maintenance, repairs, or replacement to the Common Areas which would otherwise be a Common Expense, then the Association shall impose a Reimbursement Assessment against such Member, Owner, or Occupant in an amount determined necessary or appropriate by the Board, to cover the costs of such repairs, replacements, or maintenance, to the extent not covered by the Association's insurance. Such obligation shall be secured by an Assessment lien as provided for in Section 5. If the Reimbursement Assessment is not promptly paid or if the Board elects not to impose a Reimbursement Assessment, then the Board may, in its sole discretion and without relieving such Member, Owner, or Occupant of its obligation to pay any Reimbursement Assessment which may have been levied, consider all such damages and costs to be Common Expenses, payable by all Members as part of their Regular Assessments.

10.2 Right of Access. An authorized representative of the Association, and all contractors or other agents employed or engaged by the Association, is entitled to reasonable access to every part of the Common Areas or the Property as may be required in connection with maintenance, repairs, or replacements of or to the Common Areas or any equipment, facilities, or fixtures affecting or serving the Common Areas, or to perform any of the Association's duties or responsibilities.

10.3 Additional Maintenance Obligations. In the event that any Owner or Occupant fails to maintain and repair his Parcel in the manner required by the Governing Documents, the

Association, following reasonable notice to the Owner or Occupant (except in emergency situations where such notice is not practical), in addition to all other remedies available to it hereunder or by law and without waiving any of its alternative remedies, has the right, through its agents and employees, to enter upon the Lot or Parcel at any reasonable time and in any reasonable manner, and to repair, maintain, and restore the property and any improvements erected thereon; and each Owner or Occupant covenants and agrees to repay to the Association the costs thereof immediately upon demand. If the costs are not paid upon demand, they shall become a Reimbursement Assessment secured by the lien provided for in Section 5.

10.4 Duty of Association. In the event of partial or total destruction of the Common Areas, or any improvements thereon, the Association shall restore and repair such Common Areas as promptly as practical pursuant to this Section 10. The proceeds of any casualty insurance maintained by the Association shall be used for such purpose, subject to the prior rights of Mortgagees whose interest may be protected by such policies.

10.5 Automatic Reconstruction. In the event that the amount available from the proceeds of any insurance policies for such restoration and repair is at least 75% of the estimated cost of restoration and repair, a Reconstruction Assessment against each Member in an amount proportionate to such Member's Regular Assessment may be levied by the Association to provide the necessary funds for such reconstruction in excess of amount of the funds available from insurance. Upon receipt of the funds from the Reconstruction Assessment, the Association shall restore the damaged or destroyed Common Areas in substantially the same condition the Common Areas were in prior to the destruction or damage.

10.6 Vote of Members. In the event that the amount available from the proceeds of any insurance policies for such restoration and repair is less than 75% of the estimated cost of restoration and repair, the Common Areas shall be replaced or restored unless three-quarters of the Members, at a special meeting held for such purpose, disapprove of such replacement or restoration. If the Members do not disapprove of the proposed replacement and restoration, the Association shall levy a Reconstruction Assessment against the Members as provided in Section 10.5 to restore the damaged or destroyed Common Areas as closely as practical to its former condition prior to the destruction or damage. If the Members disapprove of the repair or restoration of the damaged or destroyed improvements on the Common Areas, the damaged or destroyed Common Areas shall be cleared and appropriately landscaped as determined by the Board and the costs thereof shall be paid with the insurance proceeds (and, if necessary, a Reconstruction Assessment levied against the appropriate Members).

10.7 Excess Insurance Proceeds. In the event any excess insurance proceeds remain after any reconstruction by the Association pursuant to this Section, the Board, in its sole discretion, may retain such sums in the general funds of the Association or may distribute all or a portion such excess to the Members in proportion to their respective Regular Assessments, subject to the prior rights of Mortgagees whose interest may be protected by the insurance policies carried by the Association. The rights of a Member, a Mortgagee or any other Person as to such distribution shall be governed by the provisions of any pertinent Mortgage.

10.8 Use of Reconstruction Assessments. All amounts collected as Reconstruction Assessments shall only be used for the purposes set forth in this Section. Any Reconstruction Assessment shall be secured by the Assessment lien provided for in Section 5.

11. RACE FACILITIES.

11.1 Club Membership. There shall be one Club Membership, as defined in Section 1.8, per Lot, and the Club Membership shall be held by the Owner, or if the Owner is Person other than an individual, the Club Membership shall be held by a partner (if the Owner is a partnership), an officer (if the Owner is a corporation), a member (if the Owner is a limited liability company), a beneficiary (if the Owner is trust), or an owner of the entity (if the Owner is or includes a Person other than an individual, a partnership, a corporation, a limited liability company, or a trust). A Person may not become an owner of a Lot prior to holding a Club Membership. Rights, privileges, and access to the Race Facilities are governed solely by the Club Membership agreement and not these CC&Rs.

11.2 Club Membership Assessment. The Association may levy a "Club Membership Assessment" against a Member or Owner who fails to timely pay any Club Membership dues as required by the terms and conditions of a Club Membership agreement. A Club Membership Assessment (together with interest, late charges, collection costs, attorneys' fees, litigation expenses, and court costs) shall be a charge on the land and shall be a continuing lien upon the property against which each Club Membership Assessment is made, in accordance with Section 5.8.

11.3 Waiver of Nuisance. Each Owner acknowledges and agrees that his/her/its Lot is located near the Race Facilities and that race track related activities will be held at the Race Facilities. Each Member, Owner, Occupant and Person acknowledges that the location of his/her/its Lot may result in nuisances or hazards to persons and property on or around such Lot as a result of Race Facilities operations and race track related activities. Owner, on behalf of the Owner and any Occupant or Person using Owner's property, waives any and all such claims arising out of or relating to any activities in the Race Facilities.

11.4 Release and Indemnification. Each Member, Owner, Occupant, and Person covenants for himself/herself/itself and his/her/its successors, assigns, lessees, and invitees that he/she/its does hereby assume all risks associated with such location, including but not limited to, the risk of property damage, personal injury, or other loss arising from or related to actions incidental to such race track related activities and releases and shall indemnify, defend, and hold harmless the Association, including the Board, and the Declarant, and each of their officers, members, managers, employees, agents, successor and assigns from any liability, claims, losses, or expenses, including attorneys' fees arising from or related to such property damage, personal injury, or other loss.

12. EXEMPTION OF DECLARANT FROM RESTRICTIONS.

Notwithstanding anything contained in this Declaration to the contrary, none of the restrictions contained in this Declaration shall be construed or deemed to limit or prohibit any act by the Declarant, its employees, agents and subcontractors, or parties designated by it in connection with the development of any property owned or controlled by the Declarant.

13. REMEDIES.

13.1 General Remedies. In the event of any default by any Member, Owner, Occupant, or other Person under the provisions of the Governing Documents, Declarant, the Association, its successors or assigns, or its agents, has all of the rights and remedies set forth in the Governing Documents or which may be available at law or equity, and may, but is not obligated to, prosecute any action or other proceedings against such defaulting Member, Owner Occupant or other Person. The Association may apply for an injunction, whether affirmative or negative; foreclose its lien and obtain an appointment of a receiver for a Lot or Parcel owned by any such owner; apply for a judgment for damages, specific performance, or for the payment of money. The Association may take possession of a Lot or Parcel, rent the Lot or Parcel and apply the rents received to the payment of unpaid Assessments and interest accrued thereon, and sell such Lot or Parcel to satisfy any judgment obtained in favor of the Association. The Association also has the right to combine the remedies set forth herein, or to apply to a Court of competent jurisdiction for any other relief, all without notice and without regard to the value of a Lot or Parcel or the solvency of the Owner. The proceeds of any rental or sale shall first be paid to discharge court costs, other litigation expenses, including without limitation reasonable attorney fees and collection costs, and all such items shall be taxed against the defaulting Person in a final judgment. Any balance of proceeds after satisfaction of such charges and any unpaid Assessments or any liens shall be paid to the defaulting Person. Upon the confirmation of the sale, the purchasers shall be entitled to a deed to the Lot or Parcel and to immediate possession of the Lot or Parcel and may apply to the court for a writ of restitution for the purpose of acquiring such possession. It shall be a condition of any such sale, and the judgment shall so provide, that the purchaser shall take the interest in the property subject to this Declaration.

13.2 Enforcement. The Association or its authorized agents may enter any Lot or Parcel upon which a violation of these restrictions exists and correct such violation at the expense of the Owner thereof. Such expenses and fines as may be imposed pursuant to the Governing Documents are Reimbursement Assessments secured by a lien upon such property to the extent permitted by Section 5.4. All remedies described in this Section 13 and all other rights and remedies available at law or equity are available in the event of any breach by any Member, Owner, Occupant, or other Person of any provision of these CC&Rs.

13.3 Expenses of Enforcement. All expenses incurred by the Association or any other Person entitled to enforce the Governing Documents, including litigation expenses and court costs, collection costs, and reasonable attorney fees and other fees and expenses, and all damages, liquidated or otherwise, together with interest thereon until paid at the Default Rate of Interest, shall be assessed against the defaulting Person and shall be a Reimbursement Assessment against such Person. The Association has a lien as provided in Section 5 for such expenses. In the event of any such default by any Person, the Association and the manager or managing agent of the Association, if so authorized by the Board, has the authority to correct such default and to do whatever may be necessary for such purpose. All expenses in connection therewith shall be charged to and assessed against the defaulting Person as a Reimbursement Assessment, which shall constitute a lien against any Lot or Parcel owned by the defaulting Person as provided in Section 5. All such rights and remedies may be exercised at any time and from time to time, cumulatively or otherwise, by the Association.

13.4 Violation Assessment as Special Assessment. The Association may assess as a Special Assessment each lot owner violating these Covenants with an assessment. Each lot owner violating Section 8.1.2 shall be assessed with any and all actual costs incurred by the Association related to converting into a public utility the Association's responsibilities related to

distributing potable water through the Water System. Any other violation of the Covenants may be assessed at up to \$50 per day for any violation. Any Violation Assessment shall become a lien against the lot owner's property as provided in these Covenants.

13.5 Legal Action. In addition to any other remedies available under this Section 13, if any Member, Owner, Occupant, or any other Person (either by his conduct or by the conduct of any tenant or Occupant of his Lot or Parcel, or family member, guest, invitee, or agent) violates any of the provisions of the. Governing Documents, the Association, or any affected or aggrieved Member or Owner, has the power (but not the obligation) to file an action against the defaulting Member, Owner, Occupant, or other person for a judgment or injunction against such Person requiring the defaulting person to comply with the provisions of the Governing Documents and granting other appropriate relief, including money damages.

13.6 Effect on Mortgage. Notwithstanding anything to the contrary, any breach of any of the covenants, restrictions, reservations, conditions and servitudes provided for in this Declaration, or any right of reentry by reason thereof, shall not defeat or adversely affect the lien of any First Mortgage upon any Lot or Parcel. All of the covenants, restrictions, reservations, conditions and servitudes shall be binding upon and effective against any lessee or owner of a Lot or Parcel whose title thereto is acquired by foreclosure, trustee's sale, deed in lieu of foreclosure, or otherwise.

13.7 Limitation on Declarant's Liability. Notwithstanding anything to the contrary herein, it is expressly agreed that neither Declarant (including without limitation any assignee of the interest of Declarant hereunder) nor any member of Declarant (or in any such assignee) has any personal liability to the Association, or any Member, Owner, Occupant, or other Person, arising under, in connection with, or resulting from (including without limitation resulting from action or failure to act with respect to) this Declaration except, in the case of Declarant (or its assignee) to the extent of its interest in the Property, and, in the case of a member in Declarant (or in any such assignee), his interest in Declarant (or such assignee). In the event of a judgment against Declarant (or any partner or assignee thereof), no execution or other action shall be sought or brought thereon against any other assets, nor be a lien upon such assets of the judgment debtor.

14. AMENDMENT.

14.1 Amendment to Declaration. Amendments to this Declaration shall be in writing. Except as otherwise specifically provided for in this Declaration, any proposed amendment must be approved by a majority of the Board prior to its adoption by the Members. Amendments may be adopted at a meeting of the Members upon the approval of three-quarters of all of the Members or without any meeting if all Members have been duly notified and if three-quarters of all of the Members consent in writing to such amendment. Any amendment to the Declaration shall be signed and acknowledged by the president and secretary of the Association. Amendments once properly adopted shall be effective upon recording of the Amendment with the Cochise County Recorder.

14.2 Effect of Amendment. It is specifically covenanted and agreed that any amendment to this Declaration properly adopted will be completely effective to amend any and all of the covenants, conditions and restrictions contained herein which may be affected and any or all clauses of this Declaration or the Plat, unless otherwise specifically provided in the Section being amended or the amendment itself.

14.3 Amendment of Plat. Except as otherwise provided herein, the Plat may be amended by revised versions or revised portions by a duly adopted amendment to this Declaration. Copies of any such proposed amendment to the Plat shall be made available for the examination of every Member at the offices of the Association during reasonable times. Such amendment to the Plat shall be effective, once properly adopted, upon recordation in the Office of the Cochise County Recorder in conjunction with the amendment to the Declaration.

15. GENERAL PROVISIONS

15.1 Notices. Notices provided for in the Governing Documents shall be in writing and shall be addressed to the Association at the address specified in the Bylaws. The Association may designate a different address or addresses for notice by giving written notice of such change of address to all Members at such time. All notices to Members or other Persons shall be to the last address shown on the records of the Association. Any Member or other Person may designate a different address or addresses for notices to him by giving written notice of his change of address to the Association. Notices shall be deemed delivered when mailed by United States first class, registered, or certified mail, or when delivered in person with written acknowledgement of the receipt thereof.

15.2 Captions and Exhibits. Captions given to various Sections herein are for convenience only and are not intended to modify or affect the meaning of any of the substantive provisions hereof. The various exhibits referred to herein are incorporated as though fully set forth where such reference is made. The provisions of this Declaration shall be liberally construed to effectuate its purpose of creating a uniform plan for the development and operation of the Property as set forth herein.

15.3 Severability. If any provision of the Governing Documents or any section, clause, sentence, phrase or word, or the application thereof in any circumstance, is held invalid, the validity of the remainder of the Governing Documents and of the application of any such provision, section, sentence, clause, phrase or word in any other circumstances, shall not be affected thereby; and the remainder of the Governing Documents shall be construed as if such invalid part were never included therein.

15.4 Power of Attorney. Whenever the Association is granted rights, privileges, or duties in this Declaration, the Board has the authority to act for the Association, unless such right and power is expressly reserved to the Members of the Association as a whole. Further, unless otherwise specifically restricted by the provisions of this Declaration, wherever the Association is empowered to take any action or do any act, including but not limited to action or acts in connection with the Common Areas or sale thereof, which may at any time be deemed to require the act of a Member, the Members and each of them constitute and appoint the Association as their attorney-in-fact, as may be appropriate, for the purposes of taking such action or doing such acts including but not limited to executing, acknowledging and delivering any instruments or documents necessary, appropriate or helpful for such purposes. It is acknowledged that this Power of Attorney is irrevocable and coupled with an interest and by becoming a Member of the Association, each Member shall be deemed and construed to have ratified and expressly granted the above power of attorney.

15.5 Time is of the Essence. Time is of the essence as to the payment of Assessments.

15.6 Annexation. Declarant reserves the right to annex additional real property or Common Area to the Property without vote or consent of the Owners or Association. Annexation by Declarant pursuant to this development right shall be made by an amendment to this Declaration and, if required, by an amendment to the Site Plan. Other than pursuant to this development right, annexation shall require the consent of two-thirds (2/3) of the Votes of the Association.

15.7 Interpretation. In all cases, the provisions set forth or provided for in this Declaration shall be construed together and given that interpretation or construction which, in the opinion of the Declarant or the Board of Directors, will best accomplish the intent of the general plan of the Property. The provisions hereof shall be liberally interpreted, and if necessary, they shall be so extended or enlarged by implication as to make them fully effective. The effective date of this Declaration shall be the date it is filed for record. In the event of any conflicts or inconsistencies between applicable law, this Declaration or by the Bylaws, the terms and provisions of applicable law and this Declaration, in that order, shall prevail.

15.8 Liability for Occupants' Conduct. Each Owner shall be responsible for insuring compliance of its Lot and by its Occupants with the terms, conditions, and restrictions of this Declaration and the other Governing Documents. An Owner shall have the same liability for the act, omission, violation, and conduct of its Occupants under the Governing Documents as the Owner would have if the act, omission, violation or conduct were by the Owner itself rather than by its Occupant.

15.9 SECURITY. EACH OWNER UNDERSTANDS AND AGREES THAT NEITHER THE ASSOCIATION NOR DECLARANT (NOR THEIR RESPECTIVE OFFICERS, MEMBERS, PARTNERS, DIRECTORS, EMPLOYEES, AND AGENTS) ARE RESPONSIBLE FOR THE ACTS OR OMISSIONS OF ANY THIRD PARTIES OR OF ANY OTHER OWNER OR OCCUPANT RESULTING IN PROPERTY DAMAGE, BODILY INJURY, PERSONAL INJURY, OR OTHER LIABILITY.

16. RIGHTS AND OBLIGATIONS.

Each Person by the acceptance of a deed of conveyance, or each purchaser under any contract for such deed of conveyance, or each purchaser under any agreement of sale, or each Person acquiring any interest in a portion of the Property or a membership in the Association, and the heirs, successors and assigns of the foregoing Persons, accepts title to such Property subject to all restrictions, conditions, covenants, reservations, liens and charges, and the jurisdiction, rights and powers created or reserved by this Declaration, and all rights, benefits and privileges of every character granted, created, reserved or declared, and all impositions and obligations imposed shall be deemed and taken to be covenants running with the land and equitable servitudes, and shall bind any Person having at any time any interest or estate in the property, and shall inure to the benefit of any such Person as though the provisions of this Declaration were recited and stipulated set forth in full in each and every deed of conveyance, purchase contract or instrument evidencing or creating such interest.

[SIGNATURE PAGE TO FOLLOW]

IN WITNESS WHEREOF, the Declarant has executed this Declaration on the day and year first above written.

DECLARANT:

Inde Motorsport Ranch, LLC, an Arizona limited liability company

By: _____
Print Name: Christopher J. Dorland
Title: President

STATE OF ARIZONA)
) ss.
County of Pima)

The foregoing instrument was acknowledged before me this ____ day of June, 2016, by Christopher J. Dorland, the President of Inde Motorsport Ranch, LLC, an Arizona limited liability company, for and on behalf of said company.

WITNESS my hand and official seal.

My Commission Expires: _____ Notary Public

LIST OF EXHIBITS:

<u>Exhibit "A"</u>	Legal Description
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23F5067

EXHIBIT "A"

LEGAL DESCRIPTION OF THE PROPERTY

Pioneer Title Agency Inc.

REPORT OF TITLE (Continued)

Exhibit A

PARCEL I:

Parcel 1, according to Book 3 of Surveys, page 6, records of Cochise County, Arizona, lying within the Northwest quarter of Section 10, Township 14 South, Range 23 East of the Gila and Salt River Base and Meridian, Cochise County, Arizona;

EXCEPT any portion lying within the following described Parcels A and B:

A) A 40.00 foot wide strip within Sections 9 and 10, Township 14 South, Range 23 East of the Gila and Salt River Base and Meridian, Cochise County, Arizona, the Northerly line of which is described as follows:

COMMENCING at the North quarter corner of said Section 10, Township 14 South, Range 23 East, being a G.L.O. brass capped pipe;

thence North $89^{\circ}43'51''$ West 1,318.86 feet along the North line of said Section 10 to a #4 rebar tagged LS 13187 and the POINT OF BEGINNING;

thence continue North $89^{\circ}43'51''$ West 1,318.86 feet along the North line of said Section 10 to a G.L.O. brass capped pipe at the corner of Sections 3, 4, 9 and 10, Township 14 South, Range 23 East;

thence continue North $89^{\circ}43'51''$ West 6.65 feet to a point of curvature of a tangent curve concave to the Southeast;
thence along said curve, to the left, having a radius of 967.00 feet, a central angle of $39^{\circ}04'40''$, an arc distance of 659.53 feet to a point of tangency;

thence South $51^{\circ}11'29''$ West 308.41 feet to a point of curvature of a tangent curve concave to the Northwest;
thence along said curve, to the right, having a radius of 1,683.00 feet, a central angle of $18^{\circ}23'11''$, an arc distance of 540.08 feet to a point of tangency;

thence South $69^{\circ}34'40''$ West 1,061.08 feet to a point of curvature of a tangent curve concave to the Southeast;
thence along said curve, to the left, having a radius of 1,117.00 feet, a central angle of $07^{\circ}25'48''$, an arc distance of 144.85 feet to a point of tangency;

thence South $62^{\circ}08'52''$ West 509.51 feet to a point of curvature of a tangent curve concave to the Southeast;
thence along said curve, to the left, having a radius of 2,417.00 feet, a central angle of $10^{\circ}06'56''$, an arc distance of 426.72 feet to a point of reverse curvature;

thence along said curve, to the right, having a radius of 5,033.00 feet, a central angle of $07^{\circ}02'54''$, an arc distance of 619.15 feet to a point of tangency;

thence South $59^{\circ}04'50''$ West 1,761.22 feet to a point on the West line of Section 9, from which the West quarter corner of said Section 9 bears North $00^{\circ}01'26''$ West 213.23 feet;

thence Southerly line of said 40.00 foot wide strip being extended to intersect the West line of said Section 9.

B) COMMENCING at the Northwest corner of Section 10, Township 14 South, Range 23 East of the Gila and Salt River Base and Meridian, Cochise County, Arizona;

thence along the line between said Section 10 and Section 9, South $00^{\circ}01'16''$ East 40.00 feet to a #4 rebar tagged LS 13187 on the South right-of-way line of Airport Road as recorded in Document No. 2010-03900;

thence along said South right-of-way line of Airport Road, South $89^{\circ}43'53''$ East 121.40 feet to a #4 rebar tagged LS 13187 and the POINT OF BEGINNING;

thence continuing South $89^{\circ}43'53''$ East 537.83 feet;

thence South $00^{\circ}02'35''$ East 620.31 feet;

thence North $89^{\circ}43'47''$ West 634.47 feet;

thence North $07^{\circ}07'04''$ East 208.76 feet;

thence North $13^{\circ}26'37''$ East 302.58 feet;

thence North $00^{\circ}01'16''$ West 118.40 feet to the POINT OF BEGINNING.

Pioneer Title Agency Inc.

REPORT OF TITLE (Continued)

PARCEL II:

Parcel 3, according to Book 3 of Surveys, page 6, records of Cochise County, Arizona, lying within the Northwest quarter of Section 10, Township 14 South, Range 23 East of the Gila and Salt River Base and Meridian, Cochise County, Arizona;

EXCEPT any portion lying within the following described Parcels A and B:

A) BEGINNING at a brass capped General Land Office monument at the West quarter corner of said Section 10;
thence along the South line of said Northwest quarter, South $89^{\circ}43'34''$ East 1319.07 feet to a #4 rebar tagged LS 13187;
thence North $00^{\circ}01'55''$ West 545.00 feet to a #4 rebar tagged LS 13187;
thence North $89^{\circ}43'34''$ West 1319.02 feet to a #4 rebar on the West line of said Northwest quarter;
thence along said West line, South $00^{\circ}01'35''$ East 545.00 feet to the POINT OF BEGINNING.

The Basis of Bearing for this description is the line between a found #4 rebar at the South quarter corner of said Section 10 and a GLO brass capped pipe at the North quarter corner of said Section 10. Said bearing being North $00^{\circ}02'01''$ West as shown on Record of Survey recorded in Book 3 of Surveys, page 6, records of Cochise County, Arizona.

B) COMMENCING at a Brass capped General Land Office Monument at the West quarter of said Section 10;
thence North $00^{\circ}01'35''$ West, along the West line of the Northwest quarter of said Section 10, a distance of 545.00 feet to a #4 rebar tagged RLS 13187;
thence South $89^{\circ}43'34''$ East, a distance of 469.26 feet to a #4 rebar tagged RLS 13187 and the POINT OF BEGINNING;
thence continuing South $89^{\circ}43'34''$ East, a distance of 850.00 feet to a #4 rebar tagged RLS 13187;
thence North $00^{\circ}01'55''$ West, a distance of 445.00 feet to a #4 rebar tagged RLS 13187;
thence North $89^{\circ}43'34''$ West, a distance of 850.00 feet to a #4 rebar tagged RLS 13187;
thence South $00^{\circ}01'55''$ East, a distance of 445.00 feet to a #4 rebar tagged RLS 13187 and POINT OF BEGINNING.

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EXHIBIT 4

**PETITION OF PROPERTY OWNER
IN SUPPORT OF ADJUDICATION**

**PETITION IN SUPPORT OF APPLICATION FOR
ADJUDICATION FOR
THE HIGHLANDS AT INDE WATER COOPERATIVE**

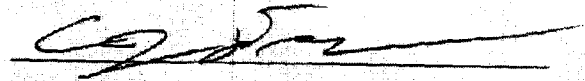
The undersigned being the owner of Lot Nos. 1 through 10 in The Highlands at Inde ("Petitioner") hereby petitions, requests, and supports the Application for Adjudication to the Commission for an order adjudicating The Highlands of Inde not a public service corporation. The address and contact information for the Petitioner is 9600 Airport Road, Willcox, Arizona 85643, (818) 620-3938.

Executed this 24th day of August, 2016.

RANCH, LLC

INDE MOTORSPORT

—
Dorland



By: Christopher J.

Its: President

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EXHIBIT 5
REPORT OF TITLE

Pioneer Title Agency Inc.

REPORT OF TITLE

OUR NO. 70100206

Dated: May 18, 2016 at 7:30 a.m.

Amended: May 18, 2016

Fee: \$None

Report is issued for the sole use and benefit of:

Inde Motorsport Ranch, LLC, an Arizona Limited Liability Company

Pioneer Title Agency Inc. hereby reports that an examination of the title to the land described in Schedule A discloses that title is vested as shown in Schedule A, subject to the liens, encumbrances, and defects as shown in Schedule B.

This report is **FOR INFORMATIONAL PURPOSES ONLY**. It is neither a guarantee of title, a commitment to insure title nor a policy of title insurance.

SCHEDULE A

1. Title to the estate or interest covered by this report at the date hereof is vested in:

Inde Motorsport Ranch, LLC, an Arizona Limited Liability Company

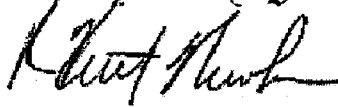
2. The estate or interest in the land hereinafter described in this report is a fee.

3. The land referred to in this report is situated in the County of Cochise, State of Arizona, and is described as follows:

See Exhibit A attached hereto and made a part hereof.

All recording references are to records in the office of the County Recorder of the county in which the property is situated.

Pioneer Title Agency Inc.



By

Authorized Officer or Agent

580 E. Wilcox Dr. Sierra Vista, AZ 85636-1900
Phone (520) 458-3500 Fax (520) 458-7202

Pioneer Title Agency Inc.

REPORT OF TITLE (Continued)

SCHEDULE B

At the date hereof exceptions to title are:

1. Liabilities and Obligations imposed upon said land by reason of its inclusion with the following named district:

Northern Cochise County Hospital District

2. TAXES AND ASSESSMENTS collectible by the County Treasurer, a lien payable but not yet due for the following year:

2016

3. Restrictions, Conditions, Covenants, Reservations, including but not limited to any recitals creating easements, liabilities, obligations or party walls, omitting, if any, from the above, any restrictions based on race, color, religion, sex, handicap, familial status or national origin contained in instrument:

Recorded in Docket 1605
Page 224

4. Easements and rights incident thereto, as set forth in instrument:

Recorded in Document No. : 9105-08892
Purpose : electric transmission or distribution line or system

5. Matters Shown On Survey:

Recorded in Book 3 of Surveys
Page 6

6. Recitals contained in instrument recorded in

Document No. : 2008-30866

By the use of this exception the Company does not limit the exclusions and exceptions from coverage contained in the policy.

Pioneer Title Agency Inc.

REPORT OF TITLE (Continued)

7. Deed of Trust given to secure the original amount shown below, and any other amount payable under the terms thereof:

Amount: \$950,000.00
Dated: November 20, 2008
Recorded: November 26, 2008
Document No. 2008-30867
Trustor Inde Motorsport Ranch, LLC, an Arizona Limited Liability Company
Trustee Lawyers Title of Arizona, LLC, an Arizona Limited Liability Company
Beneficiary Graham E. Dorland and Virginia A. Dorland, husband and wife
(Covers more property)

8. ANY ACTION that may be taken by the Department of Transportation to acquire right of way for County Road as disclosed by Resolution of Intent:

Recorded in Document No. 2011-19918

9. MATTERS SHOWN ON SURVEY:

Recorded in Book 42 of Surveys
Page 44

10. EASEMENT and rights incident thereto, as set forth in instrument:

Recorded in Document No. 2010-20689
Recorded in Document No. 2013-16355
Purpose ingress, egress and utilities

11. AGREEMENT according to the terms and conditions contained therein:

Purpose Restrictions on Alienability and Assumption of Risk Agreement
Recorded in Document Nos. 2010-20690 and 2012-29521

12. EASEMENT and rights incident thereto, as set forth in instrument:

Recorded in Document No. 2011-10637
Purpose Underground electric distribution facilities

13. EASEMENT and rights incident thereto, as set forth in instrument:

Recorded in Document No. 2012-29520
Purpose ingress, egress, emergency access and utilities

14. EASEMENT and rights incident thereto, as set forth in instrument:

Recorded in Document No. 2013-16356
Purpose ingress and egress

Pioneer Title Agency Inc.

REPORT OF TITLE (Continued)

TAX NOTE:

Year	2015
Parcel No.	209-86-022A-7
Total Tax	\$479.96
First Half	\$ Paid
Second Half	\$ Paid

TAX NOTE:

Year	2015
Parcel No.	209-86-024C-1
Total Tax	\$259.64
First Half	\$ Paid
Second Half	\$ Paid

NOTE: Access is provided by Cascabel Road, also known as Airport Road, a county maintained road.

End of Exceptions

Pioneer Title Agency Inc.

REPORT OF TITLE (Continued)

Exhibit A

PARCEL I:

Parcel 1, according to Book 3 of Surveys, page 6, records of Cochise County, Arizona, lying within the Northwest quarter of Section 10, Township 14 South, Range 23 East of the Gila and Salt River Base and Meridian, Cochise County, Arizona;

EXCEPT any portion lying within the following described Parcels A and B:

A) A 40.00 foot wide strip within Sections 9 and 10, Township 14 South, Range 23 East of the Gila and Salt River Base and Meridian, Cochise County, Arizona, the Northerly line of which is described as follows:

COMMENCING at the North quarter corner of said Section 10, Township 14 South, Range 23 East, being a G.L.O. brass capped pipe;

thence North $89^{\circ}43'51''$ West 1,318.86 feet along the North line of said Section 10 to a #4 rebar tagged LS 13187 and the POINT OF BEGINNING;

thence continue North $89^{\circ}43'51''$ West 1,318.86 feet along the North line of said Section 10 to a G.L.O. brass capped pipe at the corner of Sections 3, 4, 9 and 10, Township 14 South, Range 23 East;

thence continue North $89^{\circ}43'51''$ West 6.65 feet to a point of curvature of a tangent curve concave to the Southeast;

thence along said curve, to the left, having a radius of 967.00 feet, a central angle of $39^{\circ}04'40''$, an arc distance of 659.53 feet to a point of tangency;

thence South $51^{\circ}11'29''$ West 308.41 feet to a point of curvature of a tangent curve concave to the Northwest;

thence along said curve, to the right, having a radius of 1,683.00 feet, a central angle of $18^{\circ}23'11''$, an arc distance of 540.08 feet to a point of tangency;

thence South $69^{\circ}34'40''$ West 1,061.08 feet to a point of curvature of a tangent curve concave to the Southeast;

thence along said curve, to the left, having a radius of 1,117.00 feet, a central angle of $07^{\circ}25'48''$, an arc distance of 144.85 feet to a point of tangency;

thence South $62^{\circ}08'52''$ West 509.51 feet to a point of curvature of a tangent curve concave to the Southeast;

thence along said curve, to the left, having a radius of 2,417.00 feet, a central angle of $10^{\circ}06'56''$, an arc distance of 426.72 feet to a point of reverse curvature;

thence along said curve, to the right, having a radius of 5,033.00 feet, a central angle of $07^{\circ}02'54''$, an arc distance of 619.15 feet to a point of tangency;

thence South $59^{\circ}04'50''$ West 1,761.22 feet to a point on the West line of Section 9, from which the West quarter corner of said Section 9 bears North $00^{\circ}01'26''$ West 213.23 feet;

thence Southerly line of said 40.00 foot wide strip being extended to intersect the West line of said Section 9.

B) COMMENCING at the Northwest corner of Section 10, Township 14 South, Range 23 East of the Gila and Salt River Base and Meridian, Cochise County, Arizona;

thence along the line between said Section 10 and Section 9, South $00^{\circ}01'16''$ East 40.00 feet to a #4 rebar tagged LS 13187 on the South right-of-way line of Airport Road as recorded in Document No. 2010-03900;

thence along said South right-of-way line of Airport Road, South $89^{\circ}43'53''$ East 121.40 feet to a #4 rebar tagged LS 13187 and the POINT OF BEGINNING;

thence continuing South $89^{\circ}43'53''$ East 537.83 feet;

thence South $00^{\circ}02'35''$ East 620.31 feet;

thence North $89^{\circ}43'47''$ West 634.47 feet;

thence North $07^{\circ}07'04''$ East 208.76 feet;

thence North $13^{\circ}26'37''$ East 302.58 feet;

thence North $00^{\circ}01'16''$ West 118.40 feet to the POINT OF BEGINNING.

Pioneer Title Agency Inc.

REPORT OF TITLE (Continued)

PARCEL II:

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EXCEPT any portion lying within the following described Parcels A and B:

A) BEGINNING at a brass capped General Land Office monument at the West quarter corner of said Section 10;
thence along the South line of said Northwest quarter, South $89^{\circ}43'34''$ East 1319.07 feet to a #4 rebar tagged LS 13187;
thence North $00^{\circ}01'55''$ West 545.00 feet to a #4 rebar tagged LS 13187;
thence North $89^{\circ}43'34''$ West 1319.02 feet to a #4 rebar on the West line of said Northwest quarter;
thence along said West line, South $00^{\circ}01'35''$ East 545.00 feet to the POINT OF BEGINNING.

The Basis of Bearing for this description is the line between a found #4 rebar at the South quarter corner of said Section 10 and a GLO brass capped pipe at the North quarter corner of said Section 10. Said bearing being North $00^{\circ}02'01''$ West as shown on Record of Survey recorded in Book 3 of Surveys, page 6, records of Cochise County, Arizona.

B) COMMENCING at a Brass capped General Land Office Monument at the West quarter of said Section 10;
thence North $00^{\circ}01'35''$ West, along the West line of the Northwest quarter of said Section 10, a distance of 545.00 feet to a #4 rebar tagged RLS 13187;
thence South $89^{\circ}43'34''$ East, a distance of 469.26 feet to a #4 rebar tagged RLS 13187 and the POINT OF BEGINNING;
thence continuing South $89^{\circ}43'34''$ East, a distance of 850.00 feet to a #4 rebar tagged RLS 13187;
thence North $00^{\circ}01'55''$ West, a distance of 445.00 feet to a #4 rebar tagged RLS 13187;
thence North $89^{\circ}43'34''$ West, a distance of 850.00 feet to a #4 rebar tagged RLS 13187;
thence South $00^{\circ}01'55''$ East, a distance of 445.00 feet to a #4 rebar tagged RLS 13187 and POINT OF BEGINNING.

EXHIBIT 6

**WELL REGISTRY REPORT AND
REQUEST FOR CHANGE OF WELL OWNERSHIP**

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Arizona Department of Water Resources
P.O. Box 36020 Phoenix, Arizona 85067-6020
(602) 771-8527 - www.azwater.gov

Receipt For Request to Change Well Ownership

Authority for fee: A.R.S. § 45-113 and A.A.C. R12-15-104

Keep this for your records

WELL REGISTRATION NUMBER
55-223464

Pursuant to Arizona Revised Statutes (A.R.S.) 45-593(C), the person to whom a well is registered must notify Arizona Department of Water Resources (ADWR) of a change in ownership of the well and the new owner must furnish information as required by ADWR to keep its well registration records current and accurate.

FEE \$30.00 per WELL

Location of Well								
TOWNSHIP (N/S)	RANGE (E/W)	SECTION	160 ACRE	40 ACRE	10 ACRE	BOOK	MAP	PARCEL
14S	23E	10	NW	SE	NW	209	86	025

New Well Owner	
FULL NAME OF COMPANY, ORGANIZATION, OR INDIVIDUAL	
THE HIGHLANDS AT INDE	
MAILING ADDRESS	
6325 N PINNACLE RIDGE DRIVE	
CITY / STATE / ZIP	
TUCSON, AZ 85718-	
CONTACT PERSON NAME AND TITLE	
TELEPHONE NUMBER	FAX
(818) 620-3938	(520) 384-0797
WELL ADDRESS	
WELL CITY	
MAJOR CROSS ROADS	
EMAIL	
cdorland@indemotorsports.com	

☐ By checking this box, I hereby provide ADWR permission to enter the property for the purpose of taking water level measurements at this well.

I HEREBY CERTIFY that the above statements are true to the best of my knowledge and belief.

PREPARED BY
CJ DORLAND

DATE
8/4/2016

Reference	DWR-5866
Amount	\$30.00
Date	8/4/2016

A *Request to Change Well Information Form* must be filed if there has been a change in the recorded information on a well already in existence. This may include more accurate information on the location of the well, more accurate information on the well construction details for the well, a change in the place of use or purpose of use of the water withdrawn from the well or a change in the county tax assessor's parcel identification number for the land where the well is located. It is the responsibility of the well owner to submit this information to ADWR. Forms may be obtained at the Arizona Department of Water Resources office or online at <http://www.azwater.gov>.

Run Date: 08/01/2014

AZ DEPARTMENT OF WATER RESOURCES
WELL REGISTRY REPORT - WELLS55

Location D 14.0 23.0 10 B D B Well Reg.No 55 - 223464 AMA NOT WITHIN ANY AMA OR INA

Registered Name INDE MOTORSPORTS RANCH
9301 WEST AIRPORT ROAD

File Type NEW WELLS (INTENTS OR APPLICATIONS)
Application/Issue Date 05/06/2014

WILLCOX AZ 85643

Owner OWNER
Driller No. 25
Driller Name B-J DRILLING COMPANY, INC.
Driller Phone 520-586-3282
County COCHISE
Parcel No. 209-86-025
Intended Capacity GPM 50.00

Well Type NON-EXEMPT
SubBasin WILLCOX
Watershed WILLCOX PLAYA
Registered Water Uses DOMESTIC
Registered Well Uses WATER PRODUCTION
Discharge Method NO DISCHARGE METHOD LISTED
Power NO POWER CODE LISTED

Well Depth	0.00	Case Diam	0.00	Tested Cap	0.00
Pump Cap.	0.00	Case Depth	0.00	CRT	
Draw Down	0.00	Water Level	0.00	Log	
		Acres Irrig	0.00	Finish	NO CASING CODE LISTED

Contamination Site: NO - NOT IN ANY WQARF SITE

Tribe: Not in a tribal zone

Comments

Places Of Use

D 14.0 23.0 9

Current Action

5/9/2014 555 DRILLER & OWNER PACKETS MAILED
Action Comment: kc

Action History

8/1/2014 855 CHANGE OF WELL LEGAL DESCRIPTION
Action Comment: OLD LEGAL DESC: D(14.0-23.0) 10 BDA
5/7/2014 550 DRILLING AUTHORITY ISSUED
Action Comment: kc
5/6/2014 150 NOI RECEIVED TO DRILL A NEW PRODUCTION WELL
Action Comment: kc



Arizona Department of Water Resources
Water Management Division
P.O. Box 36020 Phoenix, Arizona 85067-6020
(602) 771-8527 • www.azwater.gov

Request to Change Well Information

RECEIVED
JUL 31 2014
ARIZONA DEPARTMENT

- ❖ Review instructions prior to completing form in black or blue ink.
 - ❖ You must include with your Notice:
 - check or money order for any required fee(s)
 - ❖ Authority for fee: A.R.S. § 45-113 and A.A.C. R12-15-104
- ** PLEASE PRINT CLEARLY ****

FILE NUMBER

WELL REGISTRATION NUMBER
55 - 223464

SECTION 1. REGISTRY INFORMATION

Well Owner		Location of Well					
FULL NAME OF COMPANY, ORGANIZATION, OR INDIVIDUAL Inde Motorsports Ranch		WELL LOCATION ADDRESS (IF ANY) B D B					
MAILING ADDRESS 9301 West Airport Road		TOWNSHIP (N/S) 14S	RANGE (E/W) 23E	SECTION 10	160 ACRE NW 1/4	40 ACRE SE 1/4	10 ACRE NW 1/4
CITY / STATE / ZIP CODE Wilcox, Arizona 85643		LATITUDE 32 ° 14 ' 6.51" N Degrees Minutes Seconds			LONGITUDE 109 ° 59 ' 24.04" W Degrees Minutes Seconds		
CONTACT PERSON NAME AND TITLE CJ Dorland, President		METHOD OF LATITUDE/LONGITUDE (CHECK ONE) <input checked="" type="checkbox"/> *GPS: Hand-Held <input type="checkbox"/> USGS Quad Map <input type="checkbox"/> Conventional Survey <input type="checkbox"/> *GPS: Survey-Grade *IF GPS WAS USED, GEOGRAPHIC COORDINATE DATUM (CHECK ONE) <input checked="" type="checkbox"/> NAD-83 <input type="checkbox"/> Other (please specify):					
TELEPHONE NUMBER (818) 620-3938	FAX	COUNTY ASSESSOR'S PARCEL ID NUMBER BOOK 209 MAP 86 PARCEL 025				COUNTY WHERE WELL IS LOCATED	

Type of Request (CHECK ONE)

- ☐ Change of Well Drilling Contractor (Fill out Section 2) ☐ Change of Well Ownership (Fill out Section 3) ☒ Change of Well Information (location, use, etc.) (Fill out Section 4)

SECTION 2. REQUEST TO CHANGE WELL DRILLING CONTRACTOR

FEE \$120 per Well

- ♦ If drilling or abandoning a well, the Department must receive this request and issue authorization to the new drilling firm prior to the commencement of well drilling or abandonment.

Current Well Drilling Contractor		New Well Drilling Contractor	
FULL NAME OF COMPANY, ORGANIZATION, OR INDIVIDUAL		FULL NAME OF COMPANY, ORGANIZATION, OR INDIVIDUAL	
DWR LICENSE NUMBER		DWR LICENSE NUMBER	ROC LICENSE CATEGORY
TELEPHONE NUMBER	FAX	TELEPHONE NUMBER	FAX

SECTION 3. STATEMENT OF CHANGE OF WELL OWNERSHIP

FEE \$30 per Well

Previous Well Owner

FULL NAME OF COMPANY, ORGANIZATION, OR INDIVIDUAL

MAILING ADDRESS

CITY / STATE / ZIP CODE

CONTACT PERSON NAME AND TITLE

TELEPHONE NUMBER

FAX

New Well Owner

FULL NAME OF COMPANY, ORGANIZATION, OR INDIVIDUAL

MAILING ADDRESS

CITY / STATE / ZIP CODE

CONTACT PERSON NAME AND TITLE

TELEPHONE NUMBER

FAX

SECTION 4. CHANGE OF WELL INFORMATION (No Fee Required)

NOTE: Applies only to wells that have already been drilled. For proposed wells, an amended Notice of Intent to Drill a Well must be filed.

EXPLAIN Access issues to original location resulted in well being drilled further west on same parcel.
Actual cadastral location is D-14-23 10BDB. Lat/Long above is actual location.

SECTION 5. OPTIONAL BY PROPERTY OWNER AND WELL OWNER ONLY

- ☐ By checking this box, I hereby provide ADWR permission to enter the property for the purpose of taking water level measurements at this well. (See instructions.)

SECTION 6. WELL OWNER SIGNATURE

I HEREBY CERTIFY that the above statements are true to the best of my knowledge and belief.

TYPE OR PRINT NAME AND TITLE

CJ Dorland, President

SIGNATURE OF WELL OWNER

[Signature]

DATE

ARIZONA DEPARTMENT OF WATER RESOURCES
3550 North Central Avenue, Second Floor
Phoenix, Arizona 85012

THIS AUTHORIZATION SHALL BE IN POSSESSION OF THE DRILLER DURING ALL DRILLING OPERATIONS

WELL REGISTRATION NO: 55-223464

AUTHORIZED DRILLER: B-J DRILLING COMPANY, INC.

LICENSE NO: 25

NOTICE OF INTENTION TO DRILL NON-EXEMPT WELL(S) HAS BEEN FILED WITH THE DEPARTMENT BY:

WELL OWNER: INDE MOTORSPORTS RANCH 9301 WEST AIRPORT ROAD WILLCOX, AZ, 85643

THE WELL(S) IS/ARE TO BE LOCATED IN THE:

NE 1/4 of the SE 1/4 of the NW 1/4 Section 10 Township 14.0 SOUTH Range 23.0 EAST

NO. OF WELLS IN THIS PROJECT: 1

ASSESSOR'S PARCEL NO: 209-86-025

THIS AUTHORIZATION EXPIRES AT MIDNIGHT ON THE DAY OF May 6, 2015

Debra M. Wells

GROUNDWATER PERMITTING AND WELLS

THE DRILLER MUST FILE A LOG OF THE WELL WITHIN 30 DAYS OF COMPLETION OF DRILLING.

NOTICE! The Authorization to drill this well DOES NOT constitute or guarantee an approval to use the well for the purpose of withdrawing groundwater for transportation to an Active Management Area (AMA) pursuant to A.R.S. § 45-552, 45-553, 45-554 or 45-555(A) without official prior approval from the Department.



ARIZONA DEPARTMENT of WATER RESOURCES

3550 North Central Avenue, Second Floor

Phoenix, AZ 85012

602-771-8500

azwater.gov

May 7, 2014

INDE MOTORSPORTS RANCH

9301 WEST AIRPORT ROAD

WILLCOX, AZ 85643



JANICE K. BREWER
Governor

MICHAEL J. LACEY
Director

Registration No. 55- 223464

File Number: D(14-23) 10 BDA

Dear Well Applicant:

Enclosed is a copy of the Notice of Intention to Drill (NOI) a well which you or your driller recently filed with the Department of Water Resources. This letter is to inform you that the Department has approved the NOI and has mailed, or made available for download, a drilling authorization card to your designated well drilling contractor. The driller may not begin drilling until he/she has received the authorization, and must keep it in their possession at the well site during drilling.

Well drilling activities must be completed within one year after the date the NOI was filed with the Department. If drilling is not completed within one year, a new NOI must be filed and authorization from this Department received before proceeding with drilling. If the well cannot be successfully completed as initially intended (dry hole, cave in, lost tools, etc.), the well must be properly abandoned and a Well Abandonment Completion Report must be filed by your driller [as required by A.A.C. R12-15-816(F)].

If you change drillers, you must notify the Department of the new driller's identity on a Request to Change Well Information (form 55-71A). Please ensure that the new driller is licensed by the Department to drill the type of well you require. A new driller may not begin drilling until he/she receives a new drilling authorization card from the Department.

If you find it necessary to change the location of the proposed well(s), you may not proceed with drilling until you file an amended NOI with the Department. An amended drilling authorization card will then be issued to the well drilling contractor, which must be in their possession before drilling begins.

Arizona statute [A.R.S. § 45-600] requires registered well owners to file a Pump Installation Completion Report (form 55-56) with the Department within 30 days after the installation of pumping equipment, if authorized. A blank report is enclosed for your convenience. State statute also requires the driller to file a complete and accurate Well Drillers Report and Well Log (form 55-55) within 30 days after completion of drilling. A blank report form was provided to your driller with the drilling authorization card. You should insist and ensure that all of the required reports are accurately completed and timely filed with the Department.

Please be advised that Arizona statute [A.R.S. § 45-593(C)] requires a registered well owner to notify the Department of a change in ownership of the well and/or information pertaining to the physical characteristics of the well in order to keep this well registration file current and accurate. Any change in well information or a request to change well driller must be filed on a Request to Change Well Information form (form 55-71A) that may be downloaded from the ADWR Internet website at www.azwater.gov.

Sincerely,

Groundwater Permitting and Wells Section



Arizona Department of Water Resources
Water Management Division
P.O. Box 36020 Phoenix, Arizona 85067-0020
(602) 771-8500 • (602) 771-8590 fax
• www.azwater.gov •

RECEIVED

Notice of Intent to

Drill, Deepen, Replace or Modify a Well

(except a Non-Exempt Well in an Active Management Area)

\$150 or
\$100 FEE

- Review instructions prior to completing form in black or blue ink.
- You must include with your Notice:
 - Check or money order in the amount of the appropriate filing fee.
 - For a well located within an AMA or INA, the fee is \$150.00.
 - For a well not located within an AMA or INA, the fee is \$100.00 if the well will be used solely for domestic purposes (see page 2 and instructions) and will have a pump with a maximum capacity of not more than 35 gallons per minute. Otherwise, the fee is \$150.00.
- Authority for fee: A.R.S. § 45-596 and A.A.C. R12-15-104.

RECEIVED	DATE	WS	B	SS
5-6-2014	12	12	WEL	92
ISSUED	DATE	WGAF	CERCLA	
5-7-2014				
LEGAL REVIEW IF APP	REASONING			

FILE NUMBER
D(4-23)10 BDA
WELL REGISTRATION NUMBER
55 - 22346A

SECTION 1. COUNTY OR LOCAL HEALTH AUTHORITY APPROVAL (if applicable)

If water from the proposed well will be used for domestic purposes on a parcel of land of 5 or fewer acres, the applicable county or local health authority must endorse all items in Section 1 within one year before submission to the Department of Water Resources. You must also attach a site plan (pg. 3).

CHECK ONE

- ☐ County or Local Health Authority Recommends Approval (pursuant to A.R.S. § 45-596 (G) and (F))
- ☐ Field Inspection Performed
- ☐ Site Plan Review Only
- ☐ Insufficient Information to Make a Determination

Official County or Local Seal or Stamp

COUNTY OR LOCAL AUTHORITY NAME AND TITLE

TELEPHONE NUMBER

DATE

COUNTY OR LOCAL AUTHORITY SIGNATURE

SECTION 2. REGISTRY INFORMATION

Well Type	Proposed Action	Location of Well					
CHECK ONE	CHECK ONE	WELL LOCATION ADDRESS (IF ANY)		COUNTY WHERE WELL IS LOCATED:			
<input type="checkbox"/> Exempt (Pump has a maximum capacity of not more than 35 gpm and water is not used for irrigation purposes inside an AMA.) (See instructions.)	<input checked="" type="checkbox"/> Drill New Well ✓ <input type="checkbox"/> Deepen <input type="checkbox"/> Replace <input type="checkbox"/> Modify If Deepening, Replacing or Modifying:			Cochise			
<input checked="" type="checkbox"/> Non-Exempt (Pump has a maximum capacity of more than 35 gpm and the well is located outside an AMA.) (See instructions.)	ORIGINAL WELL REGISTRATION NUMBER	TOWNSHIP (N/S)	RANGE (E/W)	SECTION	160 ACRE	40 ACRE	10 ACRE
	55 -	14S	23E	10	NW ¼	SE ¼	NE ¼
	MAXIMUM CAPACITY OF ORIGINAL WELL	COUNTY ASSESSOR'S PARCEL ID NUMBER		# OF ACRES			
	Gallons Per Minute	BOOK	MAP	PARCEL			
		209	86	025	39.98		
DESIGN PUMP CAPACITY	DISTANCE & DIRECTION FROM ORIGINAL WELL	Place of Water Use (Mandatory information, see instructions.)					
50 Gallons Per Minute	Feet	Is the groundwater basin where the well will be drilled the same as the place where the water will be used?				Yes	No
						X	
		TOWNSHIP (N/S)	RANGE (E/W)	SECTION	160 ACRE	40 ACRE	10 ACRE
		14S	23E	09			

SECTION 3. OWNER INFORMATION

Well Owner	Landowner (if different from Well Owner)
FULL NAME OF COMPANY, ORGANIZATION, OR INDIVIDUAL	FULL NAME OF COMPANY, GOVERNMENT AGENCY, OR INDIVIDUAL
Inde Motorsports Ranch	
MAILING ADDRESS	MAILING ADDRESS
9301 West Airport Road	
CITY / STATE / ZIP CODE	CITY / STATE / ZIP CODE
Willcox, Arizona 85643	
CONTACT PERSON NAME AND TITLE	CONTACT PERSON NAME AND TITLE
CJ Dorland, President	
TELEPHONE NUMBER	TELEPHONE NUMBER
(818) 620-3938	
FAX	FAX

SECTION 4.

Questions	Yes	No	If Yes:
1. Is the proposed well site within 100 feet of a septic tank system, sewer disposal area, landfill, hazardous materials or petroleum storage area or tank?		X	You must also request a variance (A.A.C. R12-15-818).
2. Is there another well name or identification number associated with this well (e.g., Lot 35 Well, Smith Well, etc.)?		X	PLEASE STATE
3. Is the proposed well a NEW well to be located within an Active Management Area? (See instructions.)		X	Unless the well is a replacement well and the total number of operable exempt wells on the land is not increasing, you must also file a supplemental form A.R.S. § 45-454(C) & (D).
4. Is the proposed well the second exempt well on this parcel for the same use?		X	If the proposed well is in an Active Management Area, you must also file a supplemental form A.R.S. § 45-454(I).

Notice of Intent to Drill, Deepen, Replace or Modify a Well

WELL REGISTRATION NUMBER

55-223464

SECTION 5. DRILLING AUTHORIZATION		SECTION 6. WATER / SITE INFORMATION	
Drilling Firm		Principal Use of Water	
NAME BJ Drilling Company		CHECK ONE	
DWR LICENSE NUMBER 25	ROC LICENSE NUMBER C-53 A-4	<input type="checkbox"/> Irrigation <input type="checkbox"/> Commercial <input checked="" type="checkbox"/> Domestic <input type="checkbox"/> Municipal <input type="checkbox"/> Industrial <input type="checkbox"/> Stock <input type="checkbox"/> Remediation <input type="checkbox"/> Dewatering <input type="checkbox"/> Other* (please specify):	
TELEPHONE NUMBER 520 586-3282	FAX	<input type="checkbox"/> Irrigation <input type="checkbox"/> Commercial <input type="checkbox"/> Domestic <input type="checkbox"/> Municipal <input type="checkbox"/> Industrial <input type="checkbox"/> Stock <input type="checkbox"/> Remediation <input type="checkbox"/> Dewatering <input checked="" type="checkbox"/> Other* (please specify): Race Track	
MAILING ADDRESS 2794 W Skyline Rd			
CITY / STATE / ZIP CODE Benson, AZ 85602			
DATE CONSTRUCTION IS SCHEDULED TO BEGIN 5/2014			


NOTE: If this is a Notice of Intent to construct a new well that will be used for the purpose of withdrawing groundwater for transportation to an Active Management Area (AMA) pursuant to A.R.S. § 45-552, 45-553, 45-554 or 45-555(A), the authorization to drill the well issued in association with this Notice shall not be considered the approval to transport groundwater to an AMA. (see instructions.)

SECTION 7. PROPOSED WELL CONSTRUCTION DESIGN (attach separate sheet if needed)																	
Borehole			Casing														
DEPTH FROM SURFACE		BOREHOLE DIAMETER (inches)	DEPTH FROM SURFACE		OUTER DIAMETER (inches)	MATERIAL TYPE (T)				PERFORATION TYPE (T)					GROUTING MATERIAL		
FROM (feet)	TO (feet)		FROM (feet)	TO (feet)		STEEL	PVC	ABS	IF OTHER TYPE, DESCRIBE	BLANK OR NONE	WIRE WRAP	SHUTTER SCREEN	MILLS KNIFE	SLOTTED		IF OTHER TYPE, DESCRIBE	
0	20	12	0	20	8	X*					X						Cement
0	400	8	0	400	6	X					X						
400	600	8	400	600	6	X							X				

* ADWR well construction standards require a surface seal consisting of a minimum of 20 feet of steel casing. Cement grout must be used to fill the annular space between the surface casing and the borehole. (A.A.C. R12-15-811(B))

The Department's issuance of an authorization to drill a well is not a determination of whether water withdrawn from the well is legally surface water or groundwater. The legal nature of the water withdrawn from the well may be the subject of court action in the future as part of a determination of surface water rights in your area. If there are court proceedings that could affect your well, you will be notified and be given the opportunity to participate. If you have questions regarding the legal nature of the water to be withdrawn from your proposed well, please consult with an experienced civil engineer, hydrologist or water rights attorney.

For the purposes of determining appropriate fees outside AMAs or DNAs, "domestic purposes" is defined as "uses related to the supply, service and activities of households and private residences and includes the application of water to less than 2 acres of land to produce plants or parts of plants for sale or human consumption, or for use as feed for livestock, range livestock or poultry, as such terms are defined in A.R.S. § 3-1201."

SECTION 8. OPTIONAL BY PROPERTY OWNER AND WELL OWNER ONLY	
<input type="checkbox"/> By checking this box, I hereby provide ADWR permission to enter the property for the purpose of taking water level measurements at this well. (See instructions.)	
SECTION 9. WELL OWNER AND PROPERTY OWNER SIGNATURE	
I state that this notice is filed in compliance with A.R.S. § 45-596 and is complete and correct to the best of my knowledge and belief.	
TYPE OR PRINT NAME AND TITLE CJ Dorland / President	
SIGNATURE OF WELL OWNER	DATE
	4/30/14
SIGNATURE OF LANDOWNER, IF APPLICABLE (SEE INSTRUCTIONS)	DATE

WELL REGISTRATION NUMBER
55 - 223464

***DRILLER'S E-MAIL ADDRESS:**

COUNTY APPROVAL CODE

WELL SITE PLAN

COUNTY ASSESSOR'S PARCEL ID NUMBER

MAP

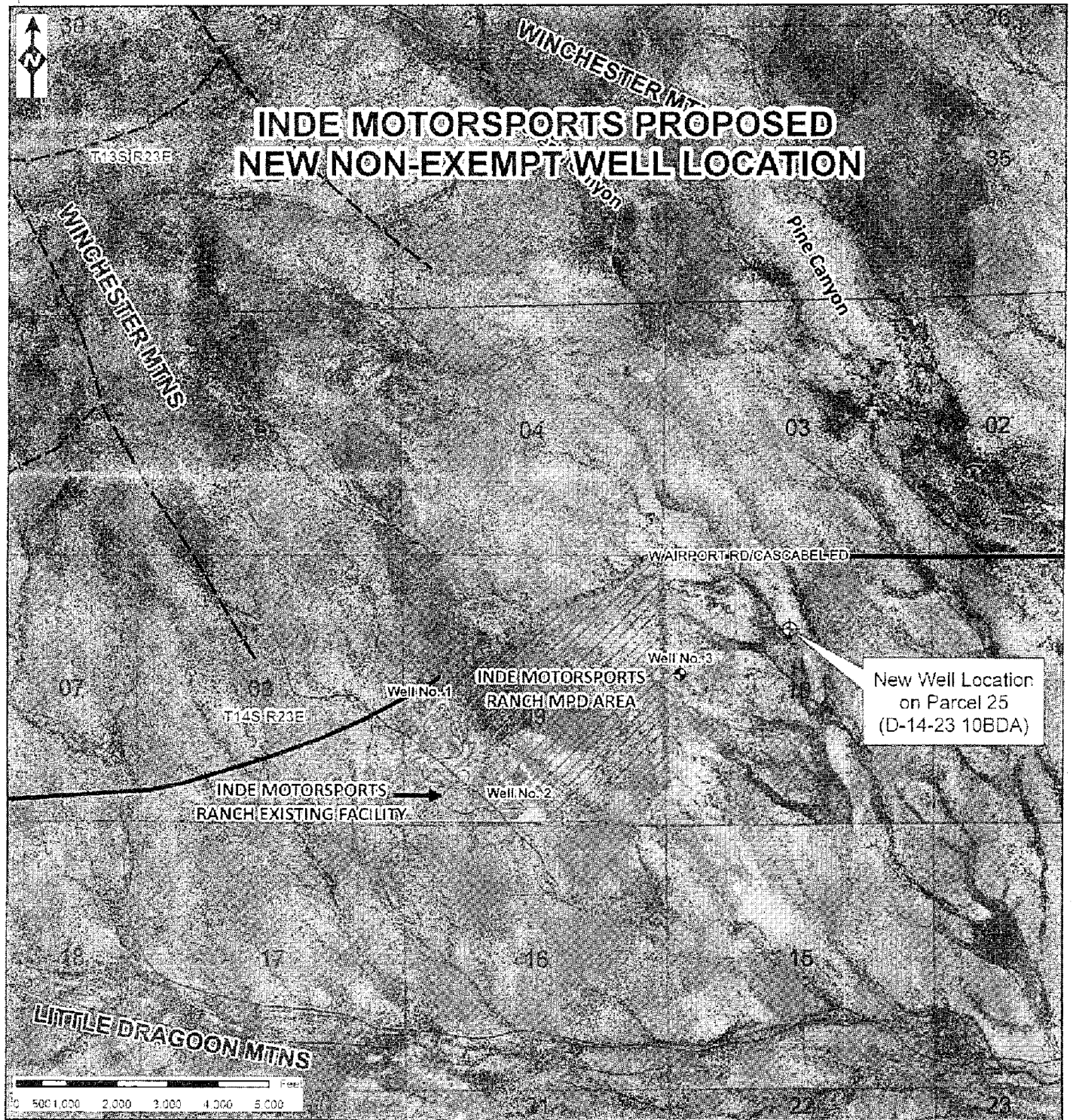
PARCEL

-
- A blank map grid consisting of a 4x4 square pattern of thin lines. In the top right corner, there is a compass rose with 'N' at the top, 'S' at the bottom, 'E' on the right, and 'W' on the left. Below the compass rose is a scale bar labeled '1" = ____ ft'. The grid is otherwise empty, with no text or symbols inside the squares.

DATE _____

Official County or Local Seal or Stamp

494322-35



AA

Printed: 5/6/2014 12:20:11 PM

Arizona Department of Water Resources

3550 N Central Ave.
Phoenix AZ 85012

Customer:

BASINWELLS ASSOCIATES PLLC
9290 E. KAYENTA DR.
TUCSON, AZ 85749-9644

Receipt #: 14-33358
Office: MAIN OFFICE
Receipt Date: 05/06/2014
Sale Type: IN_PERSON
Cashier: WRSYM

Item No.	Index	AOBJ	Description	Ref ID	Qty	Unit Price	Ext Price
67488	15245	4439-TT	Notice of intention to drill a well other than a well described in subsection (A)(1)(h) of this Section	223464	1	150.00	150.00
RECEIPT TOTAL:							150.00

Payment type: CHECK

Amount Paid: \$150.00

Payment Received Date: 05/06/2014

Notes: FROM TTA.

Check # 1432

EXHIBIT 7

**PRELIMINARY ENGINEERING REPORT
AND WATER DISTRIBUTION PLAN**

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[illegible]

CONCEPTUAL WATER DISTRIBUTION PLAN THE HIGHLANDS AT INDE



QTY	DESCRIPTION	QUANTITY LIST
2.00	1/2" BUNGEE L INSTALL 1" WATER JAM	
1	1/2" W/ WATER JAM WITH VALVE BODIES	
1	POUR 2" CONCRETE SLAB WITH REBAR	
1	INSTALL TWO 2" STEEL CASING FOR PI	
1	LESS BOLLARD PUMPS	
4	5.000 CALDON STORAGE TANKS	
2550'	1" SCH 80 PIPE	
140	4" COUPLERS	
10	4 X 11/2" BOLLARD TEST	
1	PRESSURE METER/VALVES	
525'	1/2" WIRE	
4	1" BELLOWS FITTINGS	
8	1" FLANGE W/ SDR10 ANCHORS	
1	1" PUMP EXPANSION JOINTS	
10	2.50" GATE VALVES	
1	2.5" HP PUMP MOTOR	
1	2.5" HP 1 PHASE MOTOR	
1	2.5 HP 3 PHASE 230 VOLT 1 HP	
525'	6/3 CABLES	
540'	3.5 230 PNC SHAP PIPE	
2	2" FLEXING CHECK VALVES	
2	3" GAT	
1	1/2" SCH	
3	3" JAMP 1/2" COUPLING	
1	200 PSI PRESSURE TRANSDUCER	
2	4" BRASS GATE VALVE	
1	10 HP 175 GPM 4 STAGE PUMP	
1	10 HP 1 PHASE 230 VOLT MOTOR	
1	10 HP 1 PHASE 230 VOLT	
1	10 HP 1 PHASE 230 VOLT	
4	PRESSURE TANKS	
16	1/2" GALV LANCE WITH RACING HOSE	
205'	1/2" HIGH DRAIN LINE	

LOCATION MAP
SECTION 10
TOWNSHIP 14 SOUTH, RANGE
GILA & SALT RIVER NE
COCHISE COUNTY, A
SCALE: 3"=1 MILE

LEGEND

- [illegible]

OWNER/DEVELOPER
INDE MOTORSPORTS RANCH
3301 W. AIRPORT RD
MILICEX, AZ 85645
CONTACT: CJ DORLAND
918.620.3919

ENGINEER
PERRY ENGINEERS
505 W. METWORE
TUCSON, AZ 85741
CONTACT: KEN F. FORD
PHONE: 520.620.1111

CONCEPTUAL WATER DISTRIBUTION PLAN
FOR

THE HIGHLANDS AT INDE

PERRY
ENGINEERING
1805 WEST WILLOW ROAD
TUCSON, AZ 85705
CONTACT: NIM PERRY, P.E.
PHONE: 520/630-0970



BASIS OF BEARING:
BEARINGS ARE BASED ON A LINE BETWEEN THE NORTH 1/4 CORNER OF SECTION 10 AND THE NORTHWEST CORNER OF SECTION 10, SAID BEARING BEING N 89° 43' 47" W PER BK 3 PG 6 OF SURVEY MAPS (A1)

PROPOSED WELL SITE PLAN
(WELL IS EXISTING)

SCALE 1' = 5

10/18/74

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EXHIBIT 8
FINAL PLAT MAP

LEGAL DESCRIPTION:

PANEL 1, BEGINNING TO CORNER 3 OF SURVEY, PAGE 3, RECORDS OF COCHISE COUNTY, ARIZONA, LING WITHIN THE NORTHWEST QUARTER OF SECTION 10, TOWNSHIP 14 NORTH, RANGE 23 EAST, OF THE GILA AND SALT RIVER BASIN AND MARIANA, COCHISE COUNTY, ARIZONA.

EXCEPT ANY PORTION LING WITHIN THE FOLLOWING DESCRIBED PARCELS A AND B:

A) A 40.00 FOOT WIDE STRIP WITH SECTIONS 9 AND 10, TOWNSHIP 14 NORTH, RANGE 23 EAST, OF THE GILA AND SALT RIVER BASIN AND MARIANA, COCHISE COUNTY, ARIZONA, THE NORTHERLY LINE OF WHICH IS DESCRIBED AS FOLLOWS:

BEGINNING AT THE NORTH QUARTER CORNER OF SAID SECTION 10, TOWNSHIP 14 NORTH, RANGE 23 EAST, BEING A G.I.O. BRASS CAPPED PIPE;

THENCE NORTH 89°33'41" WEST 131.86 FEET ALONG THE NORTH LINE OF SAID SECTION 10 TO A 1/4 REBAR TAGGED RLS 13187; AND THE POINT OF BEGINNING;

THENCE CONTINUE NORTH 89°33'41" WEST 131.86 FEET ALONG THE NORTH LINE OF SAID SECTION 10 TO A G.I.O. BRASS CAPPED PIPE AT THE CORNER OF SECTIONS 9, 10 AND TOWNSHIP 14 NORTH, RANGE 23 EAST;

THENCE CONTINUE NORTH 89°33'41" WEST 131.86 FEET TO A POINT IN THE CORNER OF A TANGENT CURVE CONCAVE TO THE SOUTHEAST;

THENCE ALONG SAID CURVE, TO THE LEFT, HAVING A RADIUS OF 367.00 FEET, A CENTRAL ANGLE OF 39°04'40"; AND A DISTANCE OF 630.57 FEET TO A POINT OF TANGENCY;

THENCE SOUTH 57°11'29" WEST 308.41 FEET TO A POINT OF CURVATURE IN A TANGENT CURVE CONCAVE TO THE NORTHWEST;

THENCE ALONG SAID CURVE, TO THE RIGHT, HAVING A RADIUS OF 1405.00 FEET, A CENTRAL ANGLE OF 18°23'11"; AN ARC DISTANCE OF 560.00 FEET TO A POINT OF TANGENCY;

THENCE SOUTH 65°14'40" WEST 148.00 FEET TO A POINT OF CURVATURE IN A TANGENT CURVE CONCAVE TO THE SOUTHEAST;

THENCE ALONG SAID CURVE, TO THE LEFT, HAVING A RADIUS OF 1117.00 FEET, A CENTRAL ANGLE OF 07°25'48"; AN ARC DISTANCE OF 144.83 FEET TO A POINT OF TANGENCY;

THENCE SOUTH 62°08'52" WEST 508.51 FEET TO A POINT OF CURVATURE IN A TANGENT CURVE CONCAVE TO THE SOUTHEAST;

THENCE ALONG SAID CURVE, TO THE LEFT, HAVING A RADIUS OF 2417.00 FEET, A CENTRAL ANGLE OF 10°06'26"; AN ARC DISTANCE OF 438.72 FEET TO A POINT OF TANGENCY;

THENCE ALONG SAID CURVE, TO THE RIGHT, HAVING A RADIUS OF 3, 333.00 FEET, A CENTRAL ANGLE OF 07°02'54"; AN ARC DISTANCE OF 616.15 FEET TO A POINT OF TANGENCY;

THENCE SOUTH 59°43'01" WEST 178.22 FEET TO A POINT ON THE WEST LINE IN SECTION 9 FROM WHICH THE WEST QUARTER CORNER OF SAID SECTION 9 BEARS NORTH 00°10'16" WEST 23.24 FEET;

THENCE SOUTHERLY LINE OF SAID 40.00 FOOT WIDE STRIP BEING EXTENDED TO INTERSECT THE WEST LINE OF SAID SECTION 9;

B) BEGINNING AT THE NORTHWEST CORNER OF SECTION 10, TOWNSHIP 14 NORTH, RANGE 23 EAST, OF THE GILA AND SALT RIVER BASIN AND MARIANA, COCHISE COUNTY, ARIZONA;

THENCE ALONG THE LINE BETWEEN SAID SECTION 9 AND SECTION 10, SOUTH 00°10'16" EAST 40.00 FEET TO A 1/4 REBAR TAGGED RLS 13187 ON THE SOUTH RIGHT-OF-WAY LINE OF IMPACT ROAD AS RECORDED IN DOCUMENT NO. 2010-0003;

THENCE ALONG SAID SOUTH RIGHT-OF-WAY LINE OF IMPACT ROAD, SOUTH 89°33'41" EAST 121.40 FEET TO A 1/4 REBAR TAGGED RLS 13187 AND THE POINT OF BEGINNING;

THENCE CONTINUE SOUTH 89°33'41" EAST 131.86 FEET;

THENCE SOUTH 00°10'16" EAST 80.00 FEET;

THENCE NORTH 89°33'41" WEST 131.86 FEET;

THENCE NORTH 07°00'41" EAST 208.79 FEET;

THENCE NORTH 13°20'27" EAST 302.58 FEET;

THENCE NORTH 07°01'46" WEST 118.45 FEET TO THE POINT OF BEGINNING.

PANEL 2, BEGINNING TO CORNER 3 OF SURVEY, PAGE 3, RECORDS OF COCHISE COUNTY, ARIZONA, LING WITHIN THE NORTHWEST QUARTER OF SECTION 10, TOWNSHIP 14 NORTH, RANGE 23 EAST, OF THE GILA AND SALT RIVER BASIN AND MARIANA, COCHISE COUNTY, ARIZONA.

EXCEPT ANY PORTION LING WITHIN THE FOLLOWING DESCRIBED PARCELS A AND B:

A) BEGINNING AT A BRASS CAPPED GENERAL LAND OFFICE MONUMENT AT THE WEST QUARTER CORNER OF SAID SECTION 10;

THENCE ALONG THE SOUTH LINE OF SAID IMPACTED QUARTER, SOUTH 89°33'41" EAST 131.86 FEET TO A 1/4 REBAR TAGGED RLS 13187;

THENCE NORTH 00°10'16" WEST 131.86 FEET TO A 1/4 REBAR TAGGED RLS 13187;

THENCE ALONG SAID WEST LINE, SOUTH 00°10'16" EAST 40.00 FEET TO THE POINT OF BEGINNING.

THE BASIS OF THE MONUMENT FOR THIS DESCRIPTION IS THE LINE BETWEEN A FOUND 1/4 REBAR AT THE SOUTH QUARTER CORNER OF SAID SECTION 10 AND SAID BRASS CAPPED PIPE AT THE NORTH QUARTER CORNER OF SAID SECTION 10;

SAID PARCELS BEING BOUND BY THE FOLLOWING RECORD OF SURVEY ACCORDING TO BOOK 3 OF SURVEYS, PAGE 3, RECORDS OF COCHISE COUNTY, ARIZONA.

B) BEGINNING AT A BRASS CAPPED GENERAL LAND OFFICE MONUMENT AT THE WEST QUARTER OF SAID SECTION 10;

THENCE NORTH 00°10'16" WEST ALONG THE WEST LINE OF THE NORTHWEST QUARTER OF SAID SECTION 10, A DISTANCE OF 545.00 FEET TO;

A 1/4 REBAR TAGGED RLS 13187;

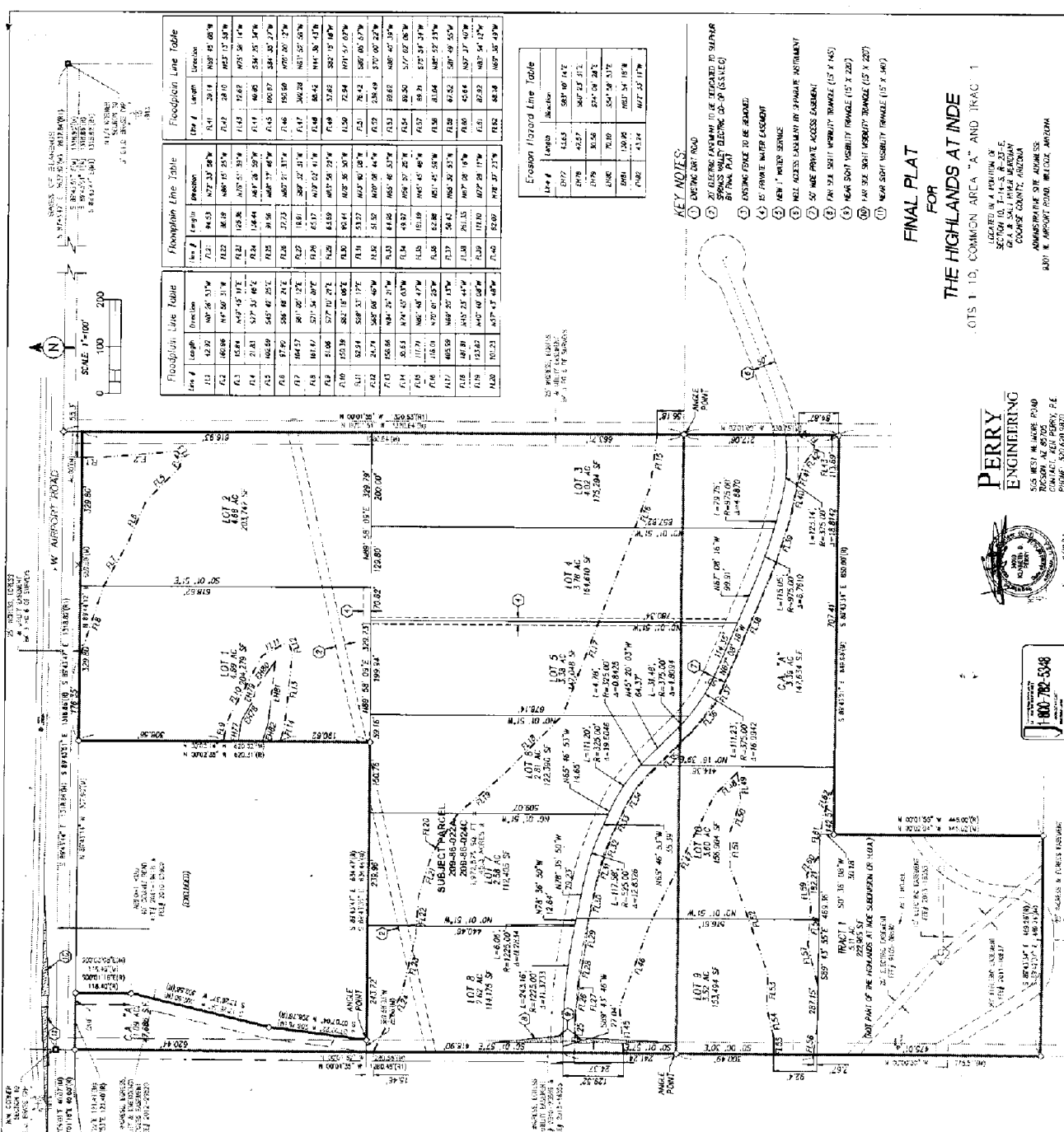
THENCE SOUTH 89°33'41" EAST, A DISTANCE OF 445.00 FEET TO A 1/4 REBAR TAGGED RLS 13187; AND THE POINT OF BEGINNING;

THENCE CONTINUE SOUTH 89°33'41" EAST, A DISTANCE OF 445.00 FEET TO A 1/4 REBAR TAGGED RLS 13187;

THENCE NORTH 00°10'16" WEST, A DISTANCE OF 445.00 FEET TO A 1/4 REBAR TAGGED RLS 13187;

THENCE NORTH 89°33'41" WEST, A DISTANCE OF 850.00 FEET TO A 1/4 REBAR TAGGED RLS 13187;

THENCE SOUTH 00°10'16" EAST, A DISTANCE OF 445.00 FEET TO A 1/4 REBAR TAGGED RLS 13187; AND POINT OF BEGINNING.



Floodplain Line Table		Floodplain Line Table		Floodplain Line Table	
Line #	Length	Line #	Length	Line #	Length
1	11.2	11	11.2	21	11.2
2	11.2	12	11.2	22	11.2
3	11.2	13	11.2	23	11.2
4	11.2	14	11.2	24	11.2
5	11.2	15	11.2	25	11.2
6	11.2	16	11.2	26	11.2
7	11.2	17	11.2	27	11.2
8	11.2	18	11.2	28	11.2
9	11.2	19	11.2	29	11.2
10	11.2	20	11.2	30	11.2

